UNITED STATES DEPARTMENT OF LABOR
Frances Perkins, *Secretary*

BUREAU OF LABOR STATISTICS
Isador Lubin, *Commissioner* (on leave)
A. F. Hinrichs, *Acting Commissioner*

Union Agreement Provisions

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Prepared by
INDUSTRIAL RELATIONS DIVISION
FLORENCE PETERSON, *Chief*

Bulletin No. 686

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1942

For sale by the Superintendent of Documents, Washington, D. C. - - - - - Price 35 cents

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Letter of Transmittal

UNITED STATES DEPARTMENT OF LABOR,
BUREAU OF LABOR STATISTICS,
Washington, D. C., November 1, 1942.

The SECRETARY OF LABOR:

I have the honor to transmit herewith a report on union agreement provisions, prepared under the direction of Florence Peterson, chief of the Industrial Relations Division, Bureau of Labor Statistics.

A. F. HINRICHS, *Acting Commissioner.*

Hon. FRANCES PERKINS,
Secretary of Labor.

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PREFACE

For some years the Bureau of Labor Statistics has provided sample clauses on various subjects from its file of union agreements. These sample provisions have proved increasingly useful to those who were directly concerned with the actual task of negotiating agreements, employer and union representatives, and to the mediators, conciliators, or arbitrators who were called upon to assist the negotiating parties. In some cases, sample clauses have proved helpful by suggesting the phrasing or language of a certain provision after the substance had been agreed upon. More important, these collections of clauses under common titles have served to illustrate substantial differences in meaning and thus to provide a useful guide for divergent minds toward agreement on mutually acceptable terms.

The primary purpose of this bulletin is to make available a comprehensive collection of illustrations of the various provisions of written agreements between employers and employees in the United States. The present volume thus offers certain advantages not found in previous material on agreements published by the Bureau. The mere collection of all types of union-agreement provisions between two covers should make the Bureau's basic materials much more readily available than heretofore. This greater accessibility is improved further by the systematic arrangement of the materials and by the subject index of the present handbook.

Practically all of the subjects covered in union agreements are included in the 1,400 sample clauses cited. However, space limitations made it impossible to include all the numerous varieties of clauses bearing on each subject. The several examples cited under each title were selected to reveal the major distinctions and more important differences.

Each set of clauses on a common subject is introduced by brief comments which are designed to indicate something of the relevance and significance of the actual examples which follow. These comments are not intended as complete interpretations of the origins or effect of the various types of provisions. Such an analysis would involve an exhaustive study of the operation of employer-employee relations under collective bargaining, which lies beyond the scope of this publication.

It is not intended to suggest that a union agreement is a mere collection of clauses covering a list of topics. An agreement should possess unity and describe the working relationship between employer and organized workers as a whole. Hence in addition to presenting different clauses arranged by topic, this volume also presents sample agreements in their entirety.

Behind the agreement provisions lies the volume of experience of employers and workers under agreement. It is this experience which

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gives substance to union agreements. The relationships are those of human beings. The effectiveness of their relationship depends upon the maturity of their dealings, and upon their will to work together constructively. Lacking these, the best of agreements may be a mere parade of words. With these, even a poorly drawn agreement may function effectively. A well-drawn agreement, however, tends to facilitate the constructive development of union-employer relations. One which fails to provide for important contingencies may become a source of friction.

The patterns of union agreements are everchanging. No collection of union-agreement provisions can be absolutely complete on the date of publication. This is particularly true in wartime when emergency conditions make necessary alterations in previous practices. Provisions resulting from action of the National War Labor Board and other war agencies have been included in this bulletin so far as the time of publication permitted. Due to changing circumstances and needs, the Bureau of Labor Statistics will be especially interested in suggestions and comments from those who have occasion to put these materials into actual use.

This bulletin was prepared by the Industrial Relations Division of the Bureau of Labor Statistics. Florence Peterson, chief of the Industrial Relations Division, was immediately in charge. Helen Miller and Fred Joiner assisted in the planning and editing of the bulletin, and were responsible for the writing of several chapters. Harry Cannon, Roy Patterson, and Abraham Weiss participated in the preparation and writing of individual chapters.

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Bulletin No. 686 of the

United States Bureau of Labor Statistics

Union Agreement Provisions

Introduction

A written union agreement is an expression of the various rights, duties, and privileges which a union and an employer have agreed shall be in effect for a specified period of time. The broad purpose of the union agreement is to define the status of the worker's organization, to specify the terms and conditions of employment, and to set forth the plan for adjusting grievances and disputes that may arise during the life of the agreement itself.

The manner in which agreements are negotiated, the variety of subjects covered, and the types of provisions dealing with each subject are dependent upon and influenced by many factors, including the relative strength of the union, the attitudes of both unions and employers, the general economic situation, as well as the competitive situation of the plant or industry concerned, and the industrial or trade practices existing at any time. Some agreements contain detailed provisions covering every phase of the employment relationship, while others are limited to more general statements of policy.

Various terms have been used to refer to agreements between employers and workers. Since these agreements are bilateral, they can rightly be called "collective" or "joint" agreements. However, these general terms give no clue as to the nature of the contracting parties. The term "collective labor agreement" is appropriate insofar as it signifies that the agreement deals with the conditions of labor. In former years, the term "trade agreement" was commonly used, chiefly because most of the earlier agreements between employers and groups of workers pertained to the skilled trades. The term "trade agreement" is now applied more frequently to the field of commerce, and "trade agreements" thus usually suggest the outcome of negotiations between business associates or between nations (such as "reciprocal trade agreement").

A more accurate title of the agreements treated in this bulletin might well be "collective-bargaining contracts" or "union-employer agreements." The shorter title, "union agreements," is currently preferred by the Bureau of Labor Statistics, partly because of its brevity and partly because it expresses the idea that the union of workers is usually the initiating party in the negotiations that precede the agreement.

Four earlier bulletins have been published by the Bureau of Labor Statistics covering "trade agreements," as they were previously desig-

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nated, the last of these being published in December 1928 (No. 468). However, the treatment of the subject in the present handbook differs markedly from that of previous bulletins. In the earlier bulletins, the agreements of each union were discussed separately and this presentation was followed by the full quotation of the text of one or two agreements. In the present bulletin, the basic presentation is by subject matter rather than by the broad type of agreement.

Part I of this bulletin presents a brief discussion of existing procedural and structural arrangements for collective bargaining between workers and employers. This material is believed to be useful because of the variations that appear as between the different collective bargaining units, and the wide variation in the number of workers covered by individual agreements in different industries, unions, and areas. The coverage of any one union agreement depends, naturally, upon the type of the industry and occupation, the customs that have developed through the years, and the current desires of the parties to the agreement. The terms that are ultimately included in an agreement are determined, not only by the relative bargaining strength of the parties, but also by the factual evidence presented by each party during the negotiations and, occasionally, by the influence of governmental or other impartial mediators. They may also be materially influenced by the maturity of the bargaining relationship itself between the two parties.

Part II, the most important section of the bulletin, is concerned with the various subjects or items covered in union agreements. Each of the 28 chapters deals with a different subject. The subjects presented cover practically the entire range of topics included in existing agreements. Only clauses rarely found or those clauses that pertain to only one or a very few situations are omitted. A brief interpretation or explanation of the importance and significance of the subjects in collective bargaining relations is followed by a group of illustrative clauses taken from agreements on file with the Bureau of Labor Statistics. The examples cited under each subject and variant of each subject are representative both as to types and substantive contents.

Although the illustrative provisions are taken from actual agreements in the Bureau's files, no identification of the particular agreement is given. Names of contracting parties are omitted because, in most instances, scores of agreements have identical or similar clauses and there is, therefore, no significance to be attached to the particular agreement from which the quoted clause happens to be taken. Occasionally, when the substance of the clause relates to a situation peculiar to a certain industry, the name of the industry or union is indicated.

In contrast to part II, which reveals the qualitative differences and gradations among the various agreement provisions with respect to each particular subject, part III presents 15 agreements in full, except for detailed wage rate listings. These examples illustrate the nature of union agreements in their entirety. Any selection of 15 agreements from a file of more than 15,000 was necessarily somewhat arbitrary. The samples chosen represent as wide a variety in types of industries and unions as the limited number would permit. The distinctive features of each agreement selected for illustration are briefly described in the opening pages of part III.

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Part I

Methods of Negotiating Union Agreements—Bargaining Structure

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Methods of Negotiating Union Agreements—Bargaining Structure

The exact number of union agreements now in effect is not known, but it probably exceeds 50,000. In addition, there are numerous wage listings and minor working rules which are intended to supplement master agreements already negotiated for a wide area.

A large majority of the agreements now in effect were negotiated by individual employers and local unions to cover all, or a particular group (craft), of the employees within a plant. A substantial number of agreements are negotiated through employers' associations which include as members all the employers in a given industry within the geographic or competitive area. An increasing number of agreements in the mass-production industries cover all the scattered plants of a large corporation. There are only a few agreements now in effect which cover entire industries or trades. In the case of multiplant corporation and industry-wide agreements, the national[1] office of the union takes a prominent part in the negotiations.

Factors Affecting Area of Bargaining

A union may negotiate with an individual employer until it is sufficiently well-established in the industry to negotiate on a broader basis or until an association of employers arises to engage in bargaining over a wider area. The policy of a union and the employers in any industry may vary from area to area, or between branches of an industry or trade. Among the factors which affect a union's policy regarding bargaining with an individual employer or on a wider basis are the strength of the union; the organization, if any, among the employers; the number of employers and the degree of centralized control in the industry; the size of the establishments and their proximity to each other; and the similarity of the products and of the operations performed. The willingness or reluctance of the employers to bargain collectively on a wide basis depends very largely upon their competitive situation and their feeling about the permanency of the union. If labor costs are an important factor in selling costs, it is to the interest of the employers already under agreement to have the entire competitive market under the same or similar agreements.

During periods of national emergency the Federal Government may encourage collective bargaining on a wide basis for the purpose of increasing production and securing more stable costs of produc-

[1] Some of the unions now in existence in the United States are national in scope—that is, they have local organizations in all or most of the States. Others also have locals in Canada and are therefore international. In any description of the structure and coverage of the various unions it would be necessary to particularize as to which were confined to the United States and which extended across the national boundaries. In this bulletin, however, the discussion is concerned with the relationships between the local unions and their parent bodies, whether the latter be national or international. For the sake of brevity, therefore, all the central offices or parent organizations are referred to as "national unions" or the "national union offices."

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tion. Conferences of employers and of organized labor may be convened under the auspices of the Government for the purpose of negotiating agreements covering entire industries or zones or areas within an industry. Wages and working conditions are standardized in order to reduce personnel turn-over through eliminating competitive wage bidding for workers. Machinery is provided for the settlement of disputes without work stoppages and individual agreements may include provisions that such adjustment machinery be utilized.

Collective Bargaining With Single Employer

Most of the agreements now in effect are made in the name of a single company or branch plant of a large corporation and the local union to which the employees belong. If a local union includes members who work for different companies, the agreement will be signed by the union on behalf of the members employed by the particular company. If all of the employees in a plant belong to a single local union, one agreement results. If, however, the employees are organized into separate unions according to craft or occupation, each union may either sign a separate agreement with the employer or jointly negotiate and sign a single agreement. Joint bargaining on the part of craft unions may strengthen the bargaining power of the individual crafts and, from the viewpoint of the employer, may eliminate the necessity for extended negotiations with several unions, each one of which represents only a part of his employees.

In the case of large corporations with a number of plants, the various local unions may sign jointly with the central office of the corporation. In this way, a single agreement may cover plants in widely separated geographical areas. Even when each local union negotiates separately with each plant management, the substance of the various agreements for all the plants of the corporation may be similar.

The agreement may cover all the plants of the corporation or only those plants in which the union represents a majority of the employees. If all the plants are not under the agreement, there may be an additional proviso that the agreement be extended to cover any plant in which the union may establish its majority status by an election conducted by the National Labor Relations Board or otherwise. Generally the corporation-wide agreement establishes the relationships of the parties, general wage levels, and the machinery and procedure for further negotiations. Many subjects, including individual wage rates, are then negotiated locally between the various plant managements and the local unions.

Collective Bargaining With Employers' Associations

The employers' associations with which unions negotiate are usually not the regularly established trade associations which deal more with marketing, public relations, and style problems. When a number of companies within an area or industry have signed agreements, a frequent development is the formation of an employers' association to represent the unionized firms within that area and industry in their dealings with their organized employees. Such has been the development of collective-bargaining relations in the various branches of the clothing industry in the major producing centers.

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There are only a few instances of industry-wide collective bargaining in this country. A necessary corollary to such bargaining is a high degree of unionization throughout the industry, and until recently only a few industries were well organized. As a rule, the unions work toward the extension of the collective agreement to as wide a section of the industry as possible, and in some cases the unions and the employers' associations have jointly directed their efforts toward bringing unorganized firms within the scope of collective agreements.

When an agreement is entered into by an association of employers on behalf of its members, it generally specifies that the terms agreed upon are applicable to all the association's members. Some agreements, however, provide that terms are binding only upon the members who ratify it or who authorize the association to enter into such an agreement. There may be a requirement that the union shall be furnished a copy of the authorization or of the names of the companies ratifying the agreement, in order that the union may know which employers are bound by its terms. Resignation, suspension, or expulsion from the association usually does not relieve an employer from his obligation to abide by the agreement. According to a few agreements, however, members who are suspended or expelled are no longer bound by the association agreement and separate agreements must be negotiated with them. In a few agreements in the New York City women's clothing industry, and in scattered instances elsewhere, the employers' association is required to secure the consent of the union before new companies are admitted to membership.

Industry-Wide Bargaining

In anthracite mining a single agreement is signed to cover all mines. In recent years, what approximates industry-wide bargaining also has existed in bituminous-coal mining. With some interruptions, the United Mine Workers of America has maintained uniform working conditions in a major part of the bituminous-coal industry by signing separate agreements which expire on the same date. Once the terms for the most important producing areas have been agreed upon, the other districts have proceeded to sign agreements with virtually identical general terms, but with specific wage rates that are adapted to local conditions.

The traditional bargaining unit in railroad transportation is the individual railroad system. The workers are organized on the basis of craft. Generally, each of the operating crafts, (trainmen, engineers, etc.) negotiate separate agreements with the various systems while the maintenance employees ("shop crafts") negotiate joint agreements with each system. Although the regular working agreements continue to be signed by each railroad system, major questions of wage increases and decreases, vacations, and other general matters are negotiated on a national scale through the Association of American Railroads for the railroad companies and the Railway Labor Executives Association, which is composed of the presidents of 20 unions of railroad workers.

Since the early years of this century there have been annual negotiations between the United States Potters' Association, representing

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most of the pottery industry, and the National Brotherhood of Operative Potters. The National Association of Pressed and Blown Glassware has been meeting with the American Flint Glass Workers' Union for a similar period, as have the glass-bottle manufacturers —though not organized into a formal association—with the Glass Bottle Blowers' Association of the United States and Canada. In the glassware industry, several large companies are not organized and consequently are outside the scope of the agreements. In the flat-glass industry, the two largest producing companies jointly negotiate identical agreements with the Federation of Glass, Ceramic and Silica Sand Workers. The remaining flat-glass manufacturers are organized into the Fourcault Manufacturers' Association, which deals with the union on a unified basis for the rest of the industry.

Among the few other instances of industry-wide dealing are the Wall Paper Institute and the United Wall Paper Crafts of North America, covering wall-paper printing; the National Automatic Sprinkler Association and the United Association of Journeymen Plumbers and Steamfitters of the United States and Canada, covering sprinkler fitting; the Manufacturers' Protective and Development Association and the Molders' Union of North America, covering stove molding and hot-water castings; and the Wire Cloth Manufacturers' Association and the American Wire Weavers' Protective Association. Working conditions in the manufacture and installation of elevators are largely regulated by national conferences between the National Elevator Manufacturing Industry and the International Union of Elevator Constructors, although wage rates are negotiated locally.

Collective Bargaining for Geographic Areas

In the hosiery industry a bargaining relationship of several years' standing exists between the Full-Fashioned Hosiery Manufacturers of America, Inc., and the American Federation of Hosiery Workers. The employers' association, originally covering only Philadelphia mills, now covers a major part of the northern section of full-fashioned hosiery manufacture.

In the textile industry there are association agreements between the Textile Workers' Union of America and the silk and rayon mills in the Paterson area. A joint arrangement of longer standing exists in the dyeing and finishing of textiles in nonintegrated mills.

Maritime workers frequently deal with employers' associations of shipping lines and dock employers. Such bargaining generally is coast-wide on the Pacific coast and port-wide on the Atlantic coast.

The pulp and paper industry, though dealing elsewhere on the basis of individual companies, in the Pacific Northwest is combined into the Pacific Coast Association of Pulp and Paper Manufacturers, which deals with the two paper unions jointly. The dominant method of bargaining in the organized section of the lumber industry is through employers' associations within a producing area.

Bargaining for Metropolitan Areas

Outstanding examples of stable bargaining relationships over a long period of time between employers' associations and unions are

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found in the needle trades. In the men's and women's clothing, men's hats and millinery, and fur industries, the earliest efforts of unions to organize were accompanied by efforts to encourage the employers within the producing area to combine into associations. Bargaining has become established in these industries with highly developed industrial-relations machinery within each of the metropolitan areas which are important as producing centers. These unions and employers' associations customarily make use of permanent impartial chairmen to administer the agreement. In addition, joint trade boards, stabilization commissions, and other similar union-management bodies are frequently established to deal with particular problems that arise from time to time. The employers within a given city are usually organized into more than one association within each of the garment industries. The basis of distinction is both the price lines of the product and the classification of employers—that is, jobbers, contractors, or inside manufacturers.

In many other industries and trades characterized by numerous small establishments within a city, collective bargaining has been conducted with associations of employers within the city. In many cases the associations are formal organizations in which the association officers have the power to bind all members to the agreed terms of employment. In other cases the employers may unite informally and perhaps only for the duration of the bargaining conferences. In many instances the lack of a continuing employers' association makes no difference in the actual negotiation of the agreement, but complicates considerably the enforcement of the agreement. Some industries in which the predominant method of dealing is with city-wide associations are brewing, retail trade, baking, printing and publishing, restaurants, trucking, and barber shops.

The Building Trades.

More city-wide association bargaining is found in building construction than in any other single industry. Almost half of the building trades agreements are negotiated by permanent associations of contractors and individual unions. Usually, after the agreement between the union and the association has been consummated, nonassociation contractors are offered agreements containing identical terms, with the exception that some of the joint machinery for settling disputes between the union and association members, of necessity, is modified. In a few instances, advantages are given to association members, such as a provision that they shall have preference in obtaining union workmen. However, in a number of cases nonmembers of the contractors' association are required either to join the association before signing the agreement or else to pay the association, or the joint board of the association and the union, an amount of money equivalent to the association membership fee.

A number of building-trades agreements are negotiated by the individual unions with temporary associations of contractors through joint committees appointed for that purpose. Under such circumstances the accepted terms are incorporated either in a single agreement which each employer signs, or in separate identical agreements signed with each employer.

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Where there is neither a permanent nor a temporary association of employers, the individual building-trades local, often after obtaining tacit acceptance from some of the leading contractors, prepares a contract which is automatically accepted by each unionized firm in the locality. Frequently, a regular agreement, including all of the usual provisions, is not made. Instead, the employers either sign a memorandum, or orally give affirmation, to pay a specified wage and abide by the working rules of the union.

Other Methods of Standardizing Union Working Conditions

In the absence of association bargaining, unions often accomplish standardization of wages and working conditions on an industry-wide or market-wide basis by negotiating nearly identical agreements with individual employers. Ordinarily, the individual employers with whom such agreements are negotiated are confined to an industry or trade within a metropolitan area. This is true not only in the retail and service industries but, in some centers, with manufacturers whose products flow into interstate markets.

In the steel industry, the policy of negotiating uniform agreements has operated on a much wider scale. The agreement negotiated with the Carnegie-Illinois Steel Corporation set the pattern for a large part of the basic iron and steel industry.

A degree of uniformity is sometimes effected by having the national union office exercise control over local agreements, such as requiring national office approval of local agreements, issuing standard agreements, and union-label and "shop-card" agreements. Generally, such provisions as those dealing with apprentices, arbitration, and membership status are standardized and enforced on an industry- or trade-wide scale more often than are provisions regarding wage rates, hours, and working conditions.

Approval of National Office Required.

The common practice in regard to national-office approval of local agreements is a requirement in the union constitution that agreements shall not be considered finally ratified until approved by the national office. This practice is an integral part of the bargaining by the International Typographical Union. Under the constitution of this union all agreements must be submitted to the international president, who determines whether or not the agreements conform to the general laws of the union. The constitution of the United Brewery, Flour, Cereal, and Soft Drink Workers requires that all local unions submit their proposed agreements to the general executive board for endorsement before submission to the employers.

As an incentive toward standardization, some unions make available to their locals printed forms of agreements to be negotiated with local employers. These forms, or "standard" agreements, contain the minimum requirements for agreements which have been adopted through convention action (usually appearing in the constitution and bylaws) and have blank spaces where locally negotiated wage rates, hours, and working conditions may be inserted.

The Union Label and Shop Card.

Similarly, national unions often issue standard union-label agreements which set forth the minimum terms under which employers

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may use the label. Supplemental agreements which establish the local wage rates and working conditions are negotiated. Since the use of the union label is strictly under the control of the national union, a measure of uniformity may be achieved among employers who sign the label agreement. The label agreement may, as in the Boot and Shoe Workers Union, deal only with union recognition status, arbitration procedure, and strike and lock-out restrictions, leaving other matters for local negotiations.

Local unions in some retail and service trades often secure standardization throughout the city through the use of the union shop card. To secure a shop card the employer agrees to observe the minimum standards of the national union and, in addition, the rules of the local union on matters of wage rates, hours, and working conditions. Changes in local working conditions are negotiated in joint conferences between the union and the employers. In the absence of an employers' association a local union may adopt a change by a vote of the membership and merely advise the employers of the change. The shop card and union employees may then be withdrawn from employers who do not conform to the new rules.

Bargaining Process

Union Machinery.

The effectiveness of a union in negotiating agreements depends considerably on the composition and experience of its bargaining committees. Union negotiations usually are conducted by officers of a local union or of a joint board, district council, or other similar body. National union representatives may be consulted for advice prior to or during the negotiations, or they may participate directly in the bargaining, especially with the larger employers. The national representatives or the national officers of the union generally have major responsibility in regional or industry-wide negotiations or in bargaining with a large corporation for an agreement covering many plants.

A union will choose its strongest leaders for the task of negotiating either a new agreement or a renewal. Ordinarily, these leaders are the president and other elected officers, although other union representatives may be added to the negotiating committee, or a special committee may be selected. If the union employs a business agent, he usually is a member of the committee and may play a primary role in negotiations.

There are several ways in which the membership of a union may exercise control over negotiations: First, the members of the negotiating committee are elected or are appointed by officers who are themselves elected by the membership. Second, the demands to be made upon the employer may be submitted for approval by the local union prior to the negotiations. Third, the tentative agreement reached with the employer may be submitted to the union membership for ratification, and the members of the negotiating committee may be required to defend the results of their bargaining and explain why any compromises were made.

When the bargaining is with an employers' association or with a large corporation and involves a number of local unions, it is common for each local to recommend the terms it desires to be included in the agreement to a joint conference of representatives from all the

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locals. This conference, in consultation with the national officers of the union, decides on the exact nature of the demands to be made and may elect a negotiating committee. Any agreement reached with the employer is then submitted to the local unions for ratification.

Employer Machinery.

Negotiating machinery on the employer side depends very largely on the size of the company and whether or not the employer is a member of an employers' association. A small owner-employer, not a member of an association, will usually bargain directly with union representatives, although he may enlist the aid or advice of his lawyer.

In situations where there are many small employers within a producing area, an employers' association may function as the bargaining agent for the member employers. Negotiations may be conducted by the secretary and the executive officer of the association, or a special committee of member employers may be appointed. After the agreement has been drafted it may be signed by the executive officer or negotiating committee for the association, or each employer member may affix his signature.

In large companies the negotiating process depends upon the corporate structure. In some instances the plant manager may negotiate final terms, frequently with the aid of the personnel director. In other cases, when the agreement is negotiated by the branch manager, it does not become final until it is approved by the corporation's central office. Elsewhere, the central office negotiates directly with the union, one agreement to apply uniformly over all its plants, or different agreements for its various plants. The latter, however, is infrequent unless the plants are engaged in different types of work or the employees belong to different unions.

Outside Aid.

Either or both parties may seek outside help in reaching an agreement, especially if there is a stalemate in the direct negotiations and a work stoppage is threatened or has taken place.

If the employer refuses to negotiate with a union on the grounds that a majority of his employees do not belong to the union, recourse may be sought to the National Labor Relations Board if the company is engaged in interstate business or, if intrastate, to State boards where such exist. The board thereupon makes a determination as to whether or not the union should be certified as the exclusive bargaining agency. In many cases an election is held in the plant or craft, although the Board may certify the union without holding an election if sufficient evidence of representation is presented.[2]

If a controversey arises over the specific terms to be incorporated in the agreement, such as wages, hours, seniority, and vacation privileges, etc., either party may ask for the services of the Federal or

[2] The determination of the bargaining unit, of course, has an important bearing on the outcome of the election and the subsequent bargaining relations. Several of the State laws provide that where the majority of employees of a particular craft shall so decide, the board shall designate such craft as the bargaining unit. The National Labor Relations Act leaves it to the Board to decide in each case. Some of the factors which guide the N. L. R. B. in determining the coverage of the appropriate bargaining unit are the past record of collective bargaining in the industry, locality, and plant; the present wishes of the parties concerned; as well as what the Board itself considers will best secure for the employees the full benefit of their right to collective bargaining.

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State conciliation service. Since the conciliator has no legal powers of compulsion, his effectiveness is dependent entirely upon the prestige of his office, the assistance he can render by reason of his knowledge of the facts involved, his skill as a negotiator, and the willingness of the parties to compromise or come to terms.

If the concilator's recommendations are not acceptable to one or both parties, they may decide to submit the issue to an arbitrator for final decision. On the other hand, either party may decide to use its economic strength to obtain its terms and a strike or lock-out may be called. Under such circumstances, the final terms of settlement are dependent very largely upon which side is able to hold out the longer, although an important factor is the pressure of public opinion—especially in stoppages of work which result in inconvenience to the public.[3] For every agreement which has been negotiated after a strike or lock-out, thousands have been negotiated peacefully with no stoppage of work.

Factual Aids.

Parties negotiating an agreement must necessarily rely upon various kinds of data in making their determinations. Financial records of the company, economic data on the industry, wages and working conditions prevailing elsewhere, prices and cost of living, and other related matters are taken into consideration to a greater or lesser extent whenever a new agreement is negotiated.

The employer, in some respects, is in an advantageous position with regard to factual data to support his claims. It is difficult, if not impossible, for the union to know the exact condition of the company's finances. On the other hand, a union which is national in scope is enabled to collect data from all its locals and be informed about the wages and working conditions throughout the unionized section of the industry. Employers' associations could also obtain and disseminate information through their members; but in this country, at the present time, very few of the established trade associations deal with problems of collective bargaining. Not all the unions maintain research facilities, but the number is increasing and at present research to facilitate collective bargaining is more common on the union side than on the employer side.

Both unions and employers utilize data furnished by governmental agencies. Census reports give information bearing on such matters as the relation of labor costs to total costs of manufacturing, labor productivity, as well as general economic data. The Federal Trade Commission, Interstate Commerce Commission, Bureau of Mines, Departments of Commerce and Agriculture, and the Securities and Exchange Commission may have pertinent information about particular industries or companies. To an increasing extent employers and unions are seeking the aid of economists, many of whom are college professors, to gather data and assist in the bargaining process. Some are utilizing the services of private agencies, for example, one of the several labor bureaus, the National Industrial Conference Board, Inc., and the Industrial Relations Counselors, Inc.

[3] The above describes the usual processes in normal times. During periods of national emergency, such as during the first World War and the present war, special procedures and practices are established by governmental action, and with the active cooperation and support of both organized labor and employers.

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Bureau of Labor Statistics Data.

The Bureau of Labor Statistics of the Department of Labor provides the most extensive data used for collective-bargaining purposes. For negotiating wage terms, there are available the Bureau's regular monthly reports on prices and cost of living; average hourly and weekly earnings and hours worked in the various industries; its annual surveys of union wage rates in numerous trades; and its periodic studies on wages, by occupations, in selected industries. Special studies to obtain the facts on issues arising during particular negotiations are also conducted by the Bureau with increasing frequency, when the request for a study is made jointly by the parties to the negotiation or by some neutral party who is mediating or arbitrating the dispute.

For use in negotiating particular aspects of an agreement, numerous topical studies by the Bureau are available, such as studies of vacation and holiday allowances; overtime and shift arrangements; seniority policies; accident and safety conditions; methods of settling grievances; wage incentive systems; methods of hiring, transfer, and promotion; dismissal wage plans, etc. In addition to its printed reports, particular data pertaining to working conditions in unionized plants are made available through analysis of some of the thousands of union agreements which the Bureau has on file.

Bargaining Unit Within a Plant

The class of workers or jobs which an agreement is designed to cover is primarily dependent upon the desire of the union and employees concerned. Coal-mine agreements, for example, cover "all workers in and around coal mines." In contrast, in the maritime, railroad, and building industries, there are separate agreements for each group of workers although the several craft unions concerned may have negotiated jointly with the employer or employers' association. (See pp. 6–9.) In case of disagreement among the employees or unions, the question of bargaining unit may be referred to the National Labor Relations Board or, for an intrastate industry, to a State labor relations board where such exists. (See footnote, p. 12.)

At the present time, most agreements in the mass-production industries specify that they shall cover "all production workers" or "all hour and piece-work employees," or "all employees except clerical and maintenance workers, technicians, and supervisors." Some agreements in the mass-production industries, however, specifically include all or some of these categories except supervisors having the right to discharge. (See p. 203 regarding status of foremen.)

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Part II

Sample Clauses

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Chapter 1

Preamble and Purpose Clauses

A mutual agreement entered into by an employer and a union implies that both parties have assumed certain obligations as well as acquired certain rights and privileges. When the agreement contains detailed statements of the rights and obligations of the parties, no general statement of the intent of the parties, or specific mention of the mutuality of the considerations extended, is necessary. Nevertheless, many agreements, following the pattern of some other types of contracts, include an introductory clause broadly outlining the general purpose of the agreements and the promises made for considerations received. A few go further in their resemblance to commercial contracts by providing a token payment by both parties as evidence of the receipt of some consideration.

Some agreements limit the preamble clause to general pledges of mutual good will and confidence. Others outline the general purpose and aim of the agreements, such as the maintenance of efficiency and peace, prosperity and security of employment, stability and orderly process in industrial relations, and employer-union cooperation for the benefit of the industry and employees. The obligations of both parties may be defined. The employer may promise to maintain labor standards and to adjust disputes with employees in accordance with the agreement's provisions. The union may bind itself not to strike during the agreement's duration and to cooperate with the employer for the attainment of discipline and high workmanship standards. A few agreements specifically state that their purpose is to meet the requirements or to effectuate the intent of some statute—usually the National Labor Relations Act.

A

WHEREAS, The parties hereto desire to cooperate in establishing and maintaining proper and suitable conditions in the industry which will tend to secure uniform and equitable terms of employment and conditions of labor satisfactory to employer and employee and to provide methods for fair and peaceful adjustment of all disputes that may arise between the parties hereto or between those represented by them and who are affected by this agreement, and in order to insure, so far as possible, uninterrupted operation and general stabilization of the industry; and to promulgate rules and regulations and to establish and declare policies to insure a proper and ethical conduct of the business and relations between the employers and employees.

B

It is the intent and purpose of the parties hereto that this agreement will promote and improve industrial and economic relationships between those employees who are members of the union and the corporation, and to set forth herein the basic agreement covering rates of pay, hours of work, and conditions of employment to be observed between the parties hereto.

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C

WITNESSETH: It is agreed that this contract is for the exclusive joint use and benefit of the contracting parties, as heretofore defined and set forth in this agreement; and it shall be construed as binding upon and effective in determining only the relations with each other of those represented by the parties signatory hereto. It is the intent and purpose of the parties hereto that this agreement will promote and improve industrial and economic relationship in the industry, and to set forth herein the basic agreements covering rates of pay, hours of work, and conditions of employment to be observed between the parties.

D

On the part of the employer it is the expectation and intention that this agreement will result in the establishment and maintenance of a high order of discipline and efficiency by the willing cooperation of union and workers; that by the exercise of this discipline all stoppages and interruptions will cease; that good standards of workmanship and conduct will be maintained and a proper quantity, quality, and cost of production will be assured; that cooperation and good will will be established between the parties hereto.

On the part of the union it is the intention and expectation that this agreement will operate in such a way as to maintain and strengthen its organization so that it may be strong enough to cooperate, as contemplated in this agreement, and to command the respect of the employer; that it will have recourse to a tribunal in the creation of which its vote will have equal weight with that of the employer, in which all of its grievances may be heard and adjudicated.

E

WHEREAS, The parties desire to enter into an agreement relating to wages, hours and other conditions of employment. which will provide methods for harmonious cooperation between the employer and its employees, and, to that end, accomplish fair and peaceful adjustment of all disputes which may arise, without interruption of the operation of the employer's business.

F

WHEREAS, There has been held at the company's plant at the direction and under the supervision of the National Labor Relations Board an election to determine representation for the purpose of collective bargaining, and

WHEREAS, In such election the union received a majority not only of the ballots cast, but also of all employees qualified to vote and embraced within such unit, and

WHEREAS, The union desires to enter into agreement with the company with respect to rates of pay, wages, hours, and other conditions of employment, and

WHEREAS, It is the purpose of this agreement to promote continuity of work by friendly relations between the company and the union.

G

For the purpose of meeting the requirements of the State and Federal labor relations laws and of the Federal Fair Labor Standards Act, and recognizing that the principle of collective bargaining represents the best medium of establishing the most dependable employment, the most satisfactory working conditions, and the greatest and most fairly distributed compensation, this agreement is entered into.

H

In consideration of the sum of $1, each to the other in hand paid, receipt whereof is hereby mutually acknowledged, and of the mutual promises hereinafter set forth, the parties agree as follows.

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Chapter 2

Union Status

An important section of union agreements is that which outlines the basic relations between the union and the employer: The degree of recognition extended, the method of hiring new employees, the union-membership status of regular and newly hired employees, dues collection, the use of the union label, and similar matters.

Closed or Union Shop

A closed or union shop is established when an agreement requires union membership by all employees as a condition of employment in the plant or in the occupations covered by the agreement. In agreements establishing a closed shop for the first time, the provision may grant a leeway of a designated number of days, during which time all nonmembers must join the union as a condition of continued employment.

The term "closed shop" has come to be rather narrowly defined as requiring not only complete union membership by all employees covered by the agreement, but in addition that all new employees must be hired through the union or must be members at the time of employment. Therefore, a frequent counterpart of closed-shop provisions are clauses granting the union some control over hiring. In many cases, the union obligates itself to furnish at any time the number of qualified workmen called for by the employer. In case the union is unable to furnish the required number, the employer usually may hire workmen in the open market who are willing to join the union, and in some cases the union grants temporary working permits to allow an increase in the work force during busy seasons. (See Hiring Through the Union, p. 27.)

In contrast to the closed shop, the term "union shop" refers to the situation in which the employer has complete control over the hiring of new employees, and such employees need not be union members at the time of hiring. All employees must join the union as a condition of continued employment, usually after a probationary period ranging from a few days to several months .

A restriction on the employer's free selection of workers will actually occur under a closed-shop or union-shop provision if the union refuses to open its membership to new applicants or establishes initiation fees or other membership requirements which might be prohibitive to prospective employees. To obviate such situations some agreements include correlative clauses which establish an "open union" by providing that the union may not change its membership requirements or refuse to admit applicants during the life of the agreement, unless the union has some specific charge against the particular applicant,

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such as antiunion actions in the past, failure to pay back dues, etc. (See p. 25.)

Basically, then, distinction may be made between clauses which require the employer to hire only union members (closed shop) and clauses which allow the employer to hire anyone he chooses provided the new employee agrees to join the union (union shop). In either case, membership in the union is a condition of continued employment, and suspension from the union involves dismissal from the job.

Closed Shop.

A

All employees hired by the employer must be members of the union in good standing. Upon notification by the union, the employer will discharge within — days any employee who loses his good standing with the union.

B

The employer shall employ and retain in his employ none but members in good standing of the local unions above mentioned for all hourly paid occupations. A member in good standing is one who is not in arrears for more than 2 months in the payment of dues and assessments to the union and who carries a union membership card.

C

The employer agrees to hire only members of local —— carrying the regular working card.

Union Shop.

A

Party of the first part agrees to employ only members of local ——— carrying the regular working card or those who are willing to become members within 10 days, providing however, that such employee make immediate application for membership in local ———.

B

The parties of the first part will not employ any employee in the groups represented by the parties of the second part [union] who is not or who does not within 1 month after his employment become and remain a member in good standing of the union, and all present employees of the groups to which this agreement applies who are not members of the union shall become and remain members in good standing within 30 days of the date of this agreement.

C

All employees of the employer who have not yet completed the trial period, hereinafter defined, shall immediately upon the execution of this agreement, make application for membership to the union, and upon the completion of their trial period, if continued in the employ of the employer, shall join the union, pay their initiation fee to the union, and shall be required to continue to remain members of the union in good standing during the duration of this agreement, as a term and condition of their employment.

For the duration of this agreement, all employees of the employer shall be required to be and remain members of the union in good standing as a term and condition of employment, except such new employees who have not completed their trial period as hereinafter defined.

All new employees, who shall be hired after the execution of this agreement, shall immediately upon their hiring make application for membership in the union and, upon the completion of their trial period, join the union, pay to the union

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their initiation fee and 2 months' back dues covering their trial period, and shall thereafter be required to remain members of the union in good standing as a term and condition of employment.

D

The employer agrees to employ none but members of the union in the mill of the employer, excepting office workers, general clerical help, and employees engaged in any kind of managerial position or work. Subject to the above-mentioned exceptions, no new employees will be hired unless they agree to become members of the union, excepting as to inexperienced help, commonly known as learners or apprentices, who may be employed, but who shall have 4 months after employment within which to join the union.

E

[To any of the above may be added:] The employer will notify the union of the names of all new employees within — hours of the time they are hired.

Closed Shop for New Employees Only.

A few agreements which establish the closed or union shop for the first time grant a special exception to those employees who are presently employed but who have not joined the union. They may not be required to join, even though all new employees must be union members. Over a period of time, of course, such a clause would result in a complete closed shop.

Present employees will not be required to join the union as a condition of employment, but all new employees hired by the employer must be union members in good standing.

Maintenance of Membership

In lieu of a closed or union shop, a union may accept a provision which protects its existing strength by insuring against membership losses. One such "union security" or "maintenance of membership" clause places emphasis on the persons who are union members at the time the agreement is signed. While placing no compulsion on any employee to join the union, this type of clause provides that those employees who are already union members, and those who subsequently join the union, must continue their membership.[1]

Another type of "maintenance of membership" places emphasis on the job rather than on the individual person. In such cases, it is required by the agreement that a job becomes a "union job," once the incumbent of the position has joined the union. If the incumbent quits or is discharged, the replacement must be a union member. The employee who is working on the "union job" is required to continue his union membership. Some agreements of this type, instead of requiring the particular job to remain a "union job," simply specify that the relative proportion of union members be maintained in the department or in the plant.

[1] The National War Labor Board has granted "maintenance of membership" provisions in numbers of cases, usually as a compromise of the union's demand for a union-shop provision. In some cases the Board has modified the clause to protect individual or group rights to veto the arrangement, either by allowing individual members to resign from the union before the agreement takes effect, or requiring members to decide by majority vote whether or not membership maintenance should be required. The Board has based its actions in granting maintenance of membership clauses on the necessity of stabilizing labor relations for the duration of the war, and of encouraging responsible union leadership which has renounced recourse to strike action during the national emergency.

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Under either type of "maintenance of membership" agreement, union members who lose their standing with the union would be discharged, just as under the closed or union shop agreement. (See p. 26.) Provisions for the maintenance of membership may or may not be combined with provisions which grant preference to union members in various phases of the employment relationship. (See below.) Preferments in lay-offs and reemployment would, over a period of time, especially in a seasonal industry marked by high turn-over, tend to result in a union shop.

A

Present employees will not be required to join the union as a condition of employment, but all present members must retain their membership, and when a union member leaves his job, the employer will hire a union member in good standing to fill that job.

B

All employees who have joined the union must continue their membership in good standing as a condition of employment. Upon notification by the union, the emplyer will discharge within — days any employee who loses his good standing with the union.

C

For the duration of the agreement at all times the relative proportion of union members in [the plant, each department] shall not be decreased beneath the proportion existing at the present time.

Preferential Shop

The preferential shop gives union members a preference in some aspect of employment—most commonly in hiring, lay-off, and reemployment. Under such a provision, the employer agrees to give preference to union members when increasing his working force. Also, union members are the last to be laid off when a general curtailment of force is necessary and the first to be reemployed when business picks up. Although there is no compulsion upon employees to join the union or remain in good standing, the effect of preferential shop agreements is to encourage continued union membership by placing a definite handicap on nonmembers.

There are many types of preferential shop clauses in union agreements. In some the preference is limited to hiring and lay-off only; in others, preference is broadened to include promotion and even seniority rights. The latter are much less common than other applications of preference to union members. It is possible, of course, for preference to be granted covering certain aspects of employment such as promotion and lay-off without granting hiring preference to union members, but this arrangement is rare.

A

The company will encourage membership in the union and will give preference to members of the union in good standing for continued employment, promotion, and transfer, and in the hiring of new employees. No union member may be laid off until all nonmembers have been laid off and no nonmembers may be reemployed until all members of the union have been offered reemployment.

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B

When reductions in work force are being made, persons who are not members of the union shall be laid off before the lay-off of any member of the union. In hiring employees, members of the union shall be given preference and persons not members of the union shall be hired only when competent members of the union are not available.

C

It is agreed between the parties that preference of employment shall be granted members of local —— in filling vacancies, provided such member is qualified to fill said vacancy.

D

Any employee who is now a member or who hereafter becomes a member of the union, assumes, as does each employee of the company, an obligation to cooperate in fulfilling the provisions of this agreement and it is agreed that any employee now, or hereafter, during the period of this contract, affiliated with the union shall upon failing to maintain his membership therein forfeit his rights of seniority as provided for in the foregoing section of this article.

E

Any employee not a member in good standing with the union shall hold no seniority rights with the company.

Employer Encouragement of Membership

Even though employers are restricted by statute from influencing an employee's choice of a union, it is possible to provide for certain forms of encouragement of union membership, once the bargaining agency has been lawfully determined. In such cases, when there is no question of a choice between rival unions, it is merely a matter of the individual choice of each nonmember as to whether or not he should join the recognized union. Under such circumstances the union considers an overt expression or act of encouragement by the employer to be helpful, especially where employers in the past have been considered by the employees to be antiunion.

A

In the interest of promoting a more harmonious relationship, the company approves of its employees becoming members of the union; and, therefore, it is further desired by the company that those of its employees who are not now members of the union shall become members.

B

The employer will give to all new employees a copy of this agreement, together with a statement calling the attention of new employees to the fact that local ——— has been legally recognized as the sole collective-bargaining agent for all employees in the plant.

Union Recognition as Sole Bargaining Agency

In closed or union-shop agreements the union signing the agreement is automatically recognized as the sole bargaining agency for all of the employees or group of employees (craft) covered by the agreement. A modified closed shop or preferential shop agreement has the same practical effect. Frequently, however, a union obtains

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recognition as the sole bargaining agency without a closed or preferential shop. Under such agreements the employer is prevented from dealing with any rival union or group of employees during the life of the agreement, and the agreement provisions cover the nonunion as well as the union employees.

Under the National Labor Relations Act and the Railway Labor Act, and several State labor relations acts, an employer is required to grant sole bargaining rights to the union representing the majority of his employees in an appropriate bargaining unit. While the National or State labor boards are frequently asked to make determinations on which union has a majority, it is possible, of course, for the union and employer to agree on exclusive recognition or even a closed shop without the question being referred to a Government agency for determination. Ordinarily an election would be held, however, if another union disputed the claim to majority representation.

A

The employer recognizes the union as the sole collective bargaining agency for all of its employees who are eligible to join the union and will negotiate with the union on all matters affecting the employees.

B

The company recognizes the union as the sole bargaining agency for all its production employees, excluding superintendents and foremen, technicians, office employees, and watchmen.

C

The union is recognized as the exclusive bargaining agent for the production and maintenance workers of the company so long as the union represents a majority of these employees.

The company agrees that there shall be no discrimination against employees on account of membership in the union or interference with the right of employees to become members of the union. The union agrees that neither the union nor its members will intimidate or coerce employees into joining the union.

Union Recognition for Members Only

Unions may be recognized as the bargaining agency for their members only, or for members and any others who indicate they wish to be represented through the union. This type of provision, of course, does not eliminate the possibility of competition within a plant between rival unions or between a labor union and an inside employee-association plan. Such limited recognition could exist only in a situation where a minority of employees belong to the union, or in an intrastate industry where there is no State labor relations law, or where, although the union has a majority, it has not yet exercised its rights under the National Labor Relations Act (or a similar State labor relations statute) to secure exclusive bargaining rights.

A

The company recognizes the union as the collective bargaining agency for all employees who are members and for those who may desire to be represented by the union in all matters pertaining to wages, hours, and working conditions.

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B

The employer recognizes the union as the collective bargaining agency for all of its employees who are members of the union and will negotiate with the union on all matters affecting those employees who are members.

Union Membership Requirements

Under any form of closed or union preferential shop, the union's policies and requirements with respect to admitting and retaining members becomes highly important to the employer. A restriction on the employer's free selection of workers will occur under any closed or modified closed shop provision if the union refuses to open its membership to new applicants. If the union has large numbers of unemployed members, such a restriction may hinder an employer from hiring certain individuals but it will not prevent him from employing as many persons as he wishes.

During a time of business expansion, union membership restrictions may result in a shortage of labor. As new jobs open up, unions which have had such restrictions are usually willing to lift or modify their rules since it may be to their advantage to enlarge their membership under such circumstances. If the business upturn appears to be of temporary duration, however, the older union members may hesitate to share their increased job opportunities.

Restrictions on union membership may be achieved in several ways. In the skilled crafts, certain regulations pertaining to apprentices may serve to restrict the intake of workers into the trade. (See p. 179.) A union may establish high initiation dues and thus discourage persons from joining the union. More directly, a union may adopt specific regulatory rules.

A large majority of the existing unions are "open"—that is, their initiation fees are moderate and they have no rules designed to restrict the number of persons to be admitted into membership. While most unions are willing to accept as members all employees hired by the employer, there may be qualifications, such as refusal to accept persons with strong antiunion records.[2]

Due to the inseparable effects of union membership requirements upon employability under union and union preferential shop conditions, most such agreements include commitments that the union will not refuse to accept anyone the employer may wish to hire except for specified reasons. Others go further in stating that the union may not change its membership requirements or increase its dues or initiation fees during the life of the agreement. Some agreements, particularly those with check-off provisions, specify the maximum amount the union may assess for dues, initiation fees, or other charges. (See Check-Off, p. 29.)

A

The union agrees that it will not refuse membership to any employees hired by the employer unless such employees have been guilty of strikebreaking or have previously been expelled for violation of union rules.

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[2] A few unions in their constitution and bylaws have restrictions against accepting aliens or persons of colored races, and several have restrictions against persons who belong to certain political ("radical") organizations. Such union rules, of course, would prohibit the employment of those persons under any closed-shop agreement.

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B

The union will accept all present and future employees of the company into membership without qualification. The union agrees that it will not increase its dues or initiation fees during the life of this agreement.

C

The doors of the union must be kept open for the admittance of nonunion workers. Initiation fees and dues required of its members by the union must be maintained at a reasonable rate and any applicant must be admitted who is not an offender against the union and who is eligible as a member under its rules. All workers shall be members in good standing in the union and new workers after 4 weeks of employment shall become members of the union; if any worker refuses to join or is not acceptable to the union the matter shall be adjusted by respective representatives of the employer and the union. If any rules are adopted by the union that impose unreasonable hardships or that operate to bar desirable persons, the matter may be brought before the board of arbitration herein provided for such remedy and decision as said board shall deem advisable.

Suspension From the Union.

As important as the circumstances regarding admittance into the union, are the rules and conditions under which a person may be suspended by the union. A necessary counterpart of a closed- or union-shop provision is the requirement that the employer must discharge any employee who fails to remain in good standing with the union. The most likely cause for loss of good standing would be failure to pay union dues on time. For this, some agreements provide for suspension of membership instead of discharge in case the member becomes delinquent, thus giving a delinquent employee an opportunity to regain his standing with the union without losing his job or his seniority rights.

Most union constitutions and bylaws contain provisions designed to protect members from unfair expulsion. These protections include a requirement of open hearings before the membership and an appeal to higher union officials. A few closed-shop agreements provide machinery enabling members to appeal to parties outside the union before they can be suspended.

A

No employee may work after the — day of each month unless he has paid his dues for that month to the union. The union will notify the employer by the — day of each month of the names of the employees owing dues for that month and the employer will inform such employees of their suspension from employment until they have regained good standing with the union.

B

If any employee claims to have been unjustly suspended, expelled, or excluded from either of the signatory unions and has appealed the action of the union to the president of the international brotherhood concerned within 5 days after having received notice of such action, he may at the same time file with the local mill manager a copy of his appeal, in which case he shall be eligible for continued employment until final action by the president of the international brotherhood concerned. When and if such appeal is filed it shall be the duty of the local signatory union concerned to deliver to the local mill manager a copy of its record of the case, which shall contain all essential information as to the charges against such employee, and the evidence in support of such charges and the findings. The president of the international brotherhood concerned shall not make a finding on any such appeal earlier

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than 15 days after the date on which copy of such appeal was delivered to the local mill manager and shall give consideration to any brief that may be filed by the said local mill manager prior to issuance of such findings and shall furnish the said local mill manager with a copy of said findings which shall include comment on any brief filed by the local mill manager. It is agreed that the authority of the president of the international brotherhood concerned is final as to any such appeal.

Hiring Through the Union

Provisions establishing some form of closed or preferential union shop are frequently accompanied by provisions outlining the procedure to be followed in hiring new employees. Those which give most control over hiring to the union require the employer to place an order with the union for the number of workers needed. The union then supplies the necessary number of workers, giving the employer the opportunity to refuse men furnished by the union only when a lack of qualification can be established. Sometimes it is provided that the employer is to be furnished with a list of available members from which he may select the number required. Other agreements specify that the union agrees to honor the employer's request for a particular union member if the member is available.

A time limit may be applied to the provision for hiring through the union office. Thus, if sufficient persons cannot be furnished by the union within a specified number of hours, the employer is allowed to secure workers from other sources. Under such circumstances the employer, in a few agreements, is permitted to advertise for help in the name of the union. If a closed shop exists, workers hired in the open market must specify their willingness to join the union, and are usually given a few days after employment within which to apply for membership.

A

When new employees are needed, the employer will notify the union of the number required and the nature of the available jobs. The union will furnish as many competent workers as the employer needs and the employer will hire the workers furnished by the union. In the event that the union cannot supply sufficient help within — days of notification, the employer may secure workers from other sources. Such employees, however, must apply for membership in the union before starting to work.

B

[Same as above with the exception that the last sentence reads:] New employees must join the union within — days.

C

When new employees are needed, the employer will notify the union of the number required and the nature of the available jobs. The union will furnish as many competent workers as the employer needs and the employer will hire the workers furnished by the union. In the event that the union cannot supply sufficient help within — days of notification, the employer may advertise for men in the name of the union.

D

[Same as any of the above with the additional clause:] The employer's request for a particular member of the union will be honored if the employee is available.

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E

[For the second sentence in any of the above examples there may be substituted:] The union will furnish a list of competent workers and the employer will hire from the list.

Seasonal Employment.

Provision is sometimes made for temporary modification of union hiring during busy seasons. Should the union be unable to furnish help at such periods, the employer may hire temporary extra help in the open market, and the union issues permit cards to allow them to work for the duration of the busy season.

Should the union be unable to furnish help during the busy season, extra help may be employed as long as such employment does not cause any lay-off to the regular union members. All such extra help shall have permit cards issued by the union before they can go to work and a permit card is good for — days only.

First Consideration to Union's Recommendation.

Some agreements, while not requiring the employer to hire through the union, specify that the employer shall give full consideration to persons recommended by the union before looking elsewhere. The effectiveness of such a discretionary clause would depend upon the good faith of the employer and the vigor with which the union pursued each case.

A

When new employees are needed, the employer will notify the union of the number required and the nature of the available jobs. The union will furnish the employer with a list of its members seeking such employment and the employer may not secure workers from other sources until due consideration has been given to those on the list submitted by the union. New employees who are not members of the union must apply for membership before starting to work.

B

In hiring new employees the company agrees to give first consideration to members of local ——— whose names shall be submitted upon request by the business agent of said local union, subject to their qualifications of training, experience, and efficiency. The company shall be the judge of the fitness of the employee it selects and agrees that it will not discriminate against any individual because of his membership in local ———.

Joint Hiring Hall

A modification of strict union hiring is found in hiring halls which have been established jointly by longshore employers and unions on the west coast. In order to attain the greatest possible regularization of work for longshoremen registered at the hall, men are checked out in rotation. The halls are administered by joint committees and operated by funds provided equally by the union and the employers' association. The dispatchers, who are chiefly responsible for the operation of the hall, are appointed by the union. Union members are given preference in employment, the "extra" list of nonmembers being used only when no union members are available. Any disputes over the operation of the hall are referred to a permanent impartial arbitrator. Through this arrangement the in-

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dividual employers give up control over the selection of their working forces, but through the employers' association retain a share in the administration of the hiring hall.

The hiring of all workers will be through a hiring hall maintained and operated jointly by the union and the employer. The hiring hall will be conducted by a joint committee, composed of representatives designated by the union and an equal number designated by the employer. The committee will appoint personnel and issue regulations governing the operation of the hall. All expenses of the hall will be borne one-half by the union and one-half by the employer. Each worker registered at the hiring hall who is not a member of the union must pay to the joint committee toward the support of the hall a sum equal to the pro rata share of the expense of the hall paid by each member of the union. The personnel for each hiring hall shall be determined and appointed by the [joint] labor relations committee, except that the dispatcher shall be selected by the union.

Check-Off

The check-off is a method of deducting from the employee's pay at regular intervals the amounts due the union for dues, fines, initiation fees, or assessments. Some agreements limit the check-off to regular dues only or specify a maximum amount which may be collected through the check-off. To facilitate the deduction, the union is usually required by the agreement to furnish the employer in advance with a list of the amounts payable by each union member.

The check-off provision may establish a general check-off for all employees where a closed shop is in force or, otherwise, for every union member. A more limited type of check-off provision, however, establishes the deduction only for those employees who file individual written authorization with the employer. The agreement may provide that the authorization holds until withdrawn by the employee or until the expiration date of the agreement.

The check-off provision has no inherent connection with the type of recognition in existence. As a rule, however, unions which are well enough established to obtain a check-off system are likely also to have a closed or union shop. In the negotiations conducted by the union the check-off is usually incidental to the more vital provisions affecting the status of the union and its members in the plant. To the union, of course, the check-off is a great convenience and, although some employers have objected, others prefer this method as a means of avoiding the confusion and lost working time which occur when a union business agent collects from each individual member in or about the plant. Some unions prefer collection of dues on the job by union agents since this affords a sure means of keeping in personal touch with the rank-and-file membership.

A

The union will submit to the employer by the — day of each month a statement of the amount due the union by each employee for union dues, assessments, fines. and initiation fees. The employer will then deduct the amount due from each employee's pay and transmit the total deductions to the authorized representative of the union.

B

All money owed to the union by employees of the company will be checked off by the company from the last pay of each employee each month and forwarded to the secretary of the union. The secretary will submit to the company a state-

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ment of amounts to be checked off not later than — days prior to the last pay day of each month. From the net amount checked off the company shall deduct the amount of — percent for this service.

C

On the receipt of written authorization from an employee, the employer will deduct from the employee's pay on the — day of each month the amount due the union by the employee for union dues, assessments, fines, and initiation fees. The employer will transmit to the authorized representative of the union the total deductions from the pay of all employees who have submitted written authorization. The union will submit to the employer by the — day of each month a statement of the amount due the union by each employee who has authorized the deductions.

D

The initiation fee in the union shall be $2 and the monthly dues shall not exceed $1 a month per person. Any type of assessment shall be voluntary on the part of the members of the union, but if the majority of the members in the shop approve, then said assessment must be paid by all members. The employer shall deduct from members' pay and turn over to the union the amount of initiation fees, monthly dues, and any agreed-upon assessments each month based upon those workers eligible to membership in the union.

E

The company agrees to check against the earnings of any employee upon his written assignment legally witnessed dues not exceeding $1 per month which shall be remitted to the person provided in the assignment on or immediately following the date of the regular pay day at the end of the second week in each month. No assessment or dues other than provided in this section shall be checked off for account of employees except upon authorization of the national organization, except funeral and sick benefits.

Check-off for Delinquent Members Only.

A modified check-off found in some agreements requires the employer to deduct dues from the wages of delinquent members only. The union supplies a list of union members who have not paid their dues by a certain date each month and the employer deducts this amount from their next pay.

The union will submit to the employer by the — day of each month the names of all members whose dues have not been paid for the current month. The employer will then deduct the amount due from each employee's pay and transmit to the union the amount due by the — day of each month.

Other Provisions for Collection of Union Dues

Other arrangements to facilitate the collection of union dues are often found in agreements, such as those granting access to the plant to union officials for the purpose of collecting dues, or granting the union the right to set up a desk or booth on company premises to collect dues on pay day.

A

Duly authorized union representatives shall have access to the plant during working hours for the collection of dues.

B

The company agrees to set aside a desk adjacent to the paymaster's cage on pay days for the voluntary collection of dues and assessments.

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C

The company will erect a booth to be used by the union for the collection of dues at a place to be agreed upon.

D

The employer hereby agrees that union dues may be collected on the premises, provided that such collection shall not be made during working hours or interfere in any way with production.

Union Activity During Working Hours

Some union agreements contain clauses forbidding union activity on company time, except that necessary for the handling of grievances (see p. 153) and the enforcement of the agreement (see p. 146). A few agreements go further in specifically mentioning the solicitation of membership and the collection of union dues as prohibited during working hours.

A

There will be no union activity on company time except that necessary in connection with the handling of grievances and the enforcement of this agreement.

B

There will be no union activity on company time except that necessary in connection with the handling of grievances and the enforcement of this agreement. Nothing in this agreement shall be construed to prohibit the officers of the union from looking after the matters of membership dues, initiation fees, and assessment, providing it is done after working hours.

C

There will be no solicitation of membership or collection of union dues during regular working hours.

Use of Bulletin Boards

In large factories, especially in urban centers where workers live in widely scattered districts, the union faces the problem of keeping its members informed of union meetings and other activities of interest and concern to its members. The demand for the privilege of using company bulletin boards, or of installing its own at convenient places throughout the plant, has been an issue in many employer-union negotiations. When the privilege is granted, the employer may place some restrictions on the type of notices which may be posted.

A

Bulletin boards will be made available by the employer for the posting of union notices.

B

Bulletin boards will be made available by the employer for the posting of notices dealing with union business only.

C

Bulletin boards will be made available to the union by the company for the posting of union notices relating to meetings, dues, entertainment, health, and safety.

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D

Bulletin boards will be made available by the employer for the posting of union notices, all such notices to be approved by the authorized representative of the employer before posting.

Work on Nonunion Materials

Sympathetic support by members of one union for organized workers in other plants or in other trades and industries often finds expression in union agreements. Any union looks upon nonunion conditions of work as a threat to its own union working standards. Consequently it is often provided in agreements that the employer may not require employees to work on material coming from or destined for manufacturers not operating under union agreements. Other agreements limit the prohibition to material coming from employers who have been declared "unfair" to organized labor by an affiliated union. This reduces considerably the list of restricted manufacturers, since many employers who do not deal with organized labor have never been declared "unfair" by unions having nominal jurisdiction. Another alternative merely prohibits work on materials coming from or destined for manufacturers whose employees are on strike. Agreements covering factory production workers may require that all building repairs and maintenance work as well as all hauling of goods and materials into and away from the employer's premises must be done by union workers.

A

The employer will not require an employee directly or indirectly to perform any work on material coming from or destined for a firm not under agreement with an affiliated union.

B

The employer will not require an employee directly or indirectly to perform any work on material coming from or destined for a firm which has been declared unfair by any affiliated union.

C

The employer will not require an employee directly or indirectly to perform any work on material coming from or destined for a firm against which any affiliated union has declared a strike.

D

All building repairs and maintenance work done for the employer, as well as all hauling of goods and materials into and away from the employer's premises, shall be performed only by members of a bona fide labor union. Failure on the part of the employer strictly to comply with this provision will be considered sufficient cause for the abrogation of this agreement.

Union Label and Shop Card

In certain industries unions have relied to some extent on public opinion as expressed by consumer purchases to strengthen their bargaining position. This is accomplished by campaigns and publicity to induce those sympathetic to labor to purchase only union-made articles, as evidenced by the union label. In retail stores, restaurants,

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and barber shops a similar result is achieved through the union shop card which is displayed in the window of union establishments. Special provisions are inserted in agreements covering the use of the label or shop card, prohibiting their illegal use, and reserving to the union the right to withdraw the label or card if the employer violates the agreement.

A

In consideration of this agreement the union hereby grants to employers the use and privilege of the [name of union] union label on all products of the employer, provided all work is produced by union labor as hereinbefore provided. The employer agrees to use such label on all products manufactured by him, and not to lend or otherwise allow the use of said label except by permission of the union. Any violation of these provisions respecting the said label shall render this agreement null and void at the option of the union, and any further use of the label shall be without warrant and illegal.

B

It is agreed that all products manufactured by union labor under this agreement will be considered fair, and the employer will have the right to use the union stamp whenever he deems it advisable to do so.

C

The union agrees to furnish to the employer at least one union store card for each of the employer's stores covered by this agreement to be displayed on the premises. Such card will remain the property of the union and shall be surrendered upon demand.

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Chapter 3

General Wage Provisions

Increasing and protecting the earnings of workers has always been a predominant objective of trade-unions. In fact, the earliest written agreements between unions and employers were confined almost entirely to wage matters and were referred to as "wage agreements," "scale agreements," or "price lists." Reflecting the increasing complexity of industrial relations, wage provisions in union agreements have expanded to include many diverse items which have a bearing on the protection and improvement of living standards. Whereas formerly a simple statement of minimum rates for the craft or occupation was considered sufficient, present-day agreements, in addition to specifying particular wage rates, often outline in detail the methods of job classification and adjustment of wage levels, methods for changing piece rates and production standards, bonus payments, allowances, deductions, and other factors affecting the income of workers.

Practice varies widely, however, with respect to the amount of detail with which wage matters are treated in union agreements. When wages are indicated in detail, the itemized wage listings frequently are incorporated as a supplement to the agreement with the understanding that particular rates may be changed by "joint negotiation" during the life of the agreement.

Due to the limited application of any list of specified wage rates by occupation, no examples of such itemized wage lists are presented in this bulletin. This chapter is confined to those general wage provisions which have a broad significance. Subsequent chapters deal with such aspects as wage-incentive plans and the various means for adjusting or determining wages.

General Wage Clauses

Many agreements, especially those for large plants with varied occupations, do not contain detailed lists of the wage rates to be paid for the various jobs but merely specify one or several minimum rates. Some do not even mention minimum rates but merely indicate that there shall be no change from current rates, or that current rates shall be changed by a specified percentage, or by a specified amount, such as 5 cents an hour. A flat increase in cents or dollars has the effect of narrowing the percentage difference in wages between the lower- and higher-paid workers, since the lower-paid employees receive a proportionately larger increase.

A

All workers enumerated in the crafts below, shall work by the week and shall receive an immediate flat increase of $5 per week above their present wages,

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irrespective of the amount thereof. Where workers receive wages in excess of the minimum scale set forth, the same shall not be reduced during the term of this agreement.

B

There shall be a 5-percent increase in wages both as to piece work and week work over and above any and all wages or wage rates that were in effect as of [date]. The said increase to take effect on [date].

C

No employee will suffer a wage decrease as a result of this agreement and nothing in this agreement shall be construed to prevent the payment of wages above the minimum rates established. If at any time during the term of this agreement a wage increase should be granted, any employee receiving more than the minimum wage shall receive proportionate wage adjustments.

Period and Form of Wage Payment

Throughout industry the weekly pay day is most common, although semimonthly and monthly pay periods also occur. (A number of States have legislation specifying that wages shall be paid weekly or, in some cases, at least semimonthly.) In many agreements a specific day of the week is named as the weekly pay day for all employees with the further provision that, should this fall on a holiday, the pay day shall be the day preceding.

In general, union agreements do not require that each pay period shall cover all accrued time, including that of the pay day, although this is the common practice with small employers or for workers with a fixed weekly wage or salary. A few agreements specify that payment is to be on the day following the close of the pay period, while in others, the employer is given from 2 to 5 days in which to prepare his pay roll.

Wage payments are frequently required to be in cash. Workers often experience difficulty in cashing checks and sometimes have to pay a fee for that service. In addition, there have been cases in which insolvent employers, issuing wage checks without funds to support them, caused workers to lose wages due them. The requirement of cash wage payments also prevents employers from issuing scrip or other tokens redeemable only at company stores. Many agreements, however, tacitly permit payment by check by omitting any mention of the form in which wages are to be paid.

Other agreement provisions governing the payment of wages require payment to be made on company time and company property and protect employees from having to stand in line to receive wages.

A

Each employee shall be paid on each pay day in full and in cash for all regular time and overtime worked. Pay days shall be on the last day of each week. All employees will be paid on company time and on company property and will not be required to stand in line to receive pay. If the regular pay day falls on a holiday employees will be paid on the day preceding the holiday.

B

Workmen shall be paid weekly on pay days fixed by the employer. No more than 3 days' pay will be withheld. Workmen will be paid on the job during working hours not later than Friday evening.

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Wage Differentials According to Type of Business

Wage-rate differentials are most often based on occupational differences according to skill required, physical difficulty, etc. In addition to such differentials, agreements covering a number of employers engaged in different classes or types of work sometimes provide different wage scales for each classification of employers. The purpose of such provisions is to adjust wage rates to the employer's grade of work or service and indirectly upon his ability or inability to pay higher or lower scales of wages. Hotels and restaurants, for example, may be classified by their grade of business. Moving-picture theaters are classified by their seating capacity, location, and type of pictures exhibited. The shops in some branches of the garment and shoe industries may be classified by the price of the line of goods produced, as in the following example:

Higher- and lower-priced garments.—The association and the union agree that there are two general classes of dresses manufactured by the members of the association; these general classes are designated as the "higher-priced dresses," and the "lower-priced dresses;" the phrase "higher-priced dresses" shall refer to a garment whose sale price is above $5; the phrase "lower-priced" shall refer to a garment whose sale price is not more than $5.

Sex Differentials

Many unions have faced the problem of the displacement of men in certain occupations by women workers who do the same work for lower wages. Therefore, some agreements include provisions forbidding wage differentials based on sex. In other cases sex differentials are simply abolished in the course of the wage negotiations, and specific prohibitions do not appear in the agreement.

Women hired to perform the same work as performed by men shall be paid on the basis of the principle of equal pay for equal work.

Disabled and Older Employees

Although unions insist on rigid adherence to the wage standards set forth in the agreement for all regular employees, a tolerance is sometimes allowed for aged or handicapped workers. If these employees cannot maintain the production standards, lower rates may be negotiated at the time the agreement is signed or subsequently as cases arise. Some agreements specify a special minimum rate below which wages of substandard workers may not fall. (See p. 204 for provisions covering the employment of aged and handicapped persons.)

A

In the case of a disabled or older employee unable to maintain regular production standards, the employer and the union may agree upon a special rate for the employee but this rate will not be less than — percent of the regular rate of pay.

B

Aged employees or those who have been incapacitated for their regular work by injury or compensable occupational disease while employed by the company, will be offered employment in other work in the plant which they can do if such

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work is available and which will not further injure their physical condition, at the standard rate for such work, and may be continued in such employment without regard to any seniority provisions until pronounced fit for their regular work.

Hazardous or Unpleasant Work

Payment of wages at a fixed percentage above the regular wages is sometimes provided for an especially hazardous or unpleasant occupation or duty. In such cases, this type of work is usually specifically designated in the agreement. For example, in longshore agreements it is customary to specify "penalty rates" for handling explosives, acids which gives off unpleasant or dangerous fumes, etc. In maritime transportation agreements extra-pay, travel, and insurance provisions have been negotiated for hazards arising out of travel in war zones.

A

In addition to the basic wages for longshore work as provided in section —, additional wages to be called penalties shall be paid for the types of cargo, condition of cargoes, or working conditions specified below.

The penalty rates hereinafter set forth shall be the only penalty cargo rates payable and none of such penalty cargo rates shall hereafter be subject to alteration or amendment except by agreement of all of the parties hereto.

Penalty cargo rates shall apply to all members of the longshore gang, including dockmen, except where herein otherwise specified. Where differentials are now paid for skill, penalty cargo rates shall not be pyramided thereon. Where the cargo penalty rate herein is higher than the skilled rate paid to any member of the gang, such member shall receive the cargo penalty rate less the allowance which he is receiving for skill.

Present port practices shall be continued in the payment of penalties to gang bosses.

Where two penalties might apply, the higher penalty shall apply and in no case shall penalties be pyramided.

[Detailed listing of penalty cargo rates follows.]

B

The regular rate of wages for painters, decorators, paperhangers, and wood finishers shall be not less than $1.50 per hour.

The rate of wages for painters operating a "spray gun" or "paint spraying machine" shall be not less than $2 per hour.

Painters employed for the painting of steel, iron bridges, and all new steel construction which is to be painted before the entire roof is on and 30 percent of the walls in place, shall receive not less than $2 per hour.

Painters employed for the painting of steel and all other surfaces in a building after the entire roof is on and 30 percent of the walls in place, shall be paid at the rate of $1.75 per hour.

Steeple jack: Painters employed for painting steel, tanks of any kind, smokestacks, church steeples, flag poles, etc., 100 feet or more from the ground, shall be paid at the rate of $4 per hour.

The rate of wages for painters working on all kinds of swinging scaffold above the second floor of any building shall be $1.75 per hour.

Automatic Pay Increase Based on Length of Service

A few agreements, particularly those covering street-railway and newspaper editorial employees, contain detailed provisions outlining pay increase steps for the first few years of service with the employer. Such schedules of automatic pay increases are, of course, customary for apprentices or learners. (See p. 189.) However, pay increases based on length of service differ from beginners' or learners' rates, being considered a reward for longer seniority status with the com-

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pany, and also as a help to maintaining a steady labor force. Sometimes the rules governing such pay seniority are quite detailed, as in the following clause from a street-railway agreement.

RATES OF PAY

[A detailed listing of rates for each year of service up to 5 years is included.]

PAY SENIORITY

1. *Continuous term of employment.*—Seniority for pay shall accrue only under a continuous term of employment.

2. *Designated position.*—Seniority for pay shall accrue for a designated position only while regularly serving in such position.

3. *Temporary assignment.*—Temporary assignment to another position will not accrue seniority for pay in the temporary position.

4. *Transfer for convenience of the company.*—A transfer for the convenience of the company shall not deprive an employee of seniority already accrued under these regulations.

5. *Transfer at request of employee.*—A transfer made at the request of the employee shall not carry with the transfer the seniority which accrued in the position from which transferred, unless approved by the president.

6. *Dates governing seniority.*—The employment bureau date of appointment or reappointment or approval of transfer shall govern in computing seniority periods.

7. *Temporary absence.*—Temporary absence because of sickness or other causes shall not be considered in computing pay seniority periods unless absence exceeds 30 days. Absence in excess of 30 days, except for reasons specified in the following paragraph, shall be considered in computing pay seniority periods. When absence in excess of 30 days has been caused by injuries received in the performance of duty, employees shall be allowed to accrue pay seniority during such absence.

8. *Effective date of seniority increases.*—When rates are increased by seniority, the increased rates shall become effective beginning with the first pay-roll week of the month following anniversary of date of appointment or reappointment.

Increases Based on Total Experience.

Under some automatic pay increase clauses, only experience gained with the present employer is considered in making the increases, while in other agreements any recognized experience on similar work for other employers may be counted. Such clauses more nearly approximate apprentice provisions, since experience in the trade, not seniority with a given employer, is the important factor in determining wage levels.

Minimum salaries for editorial department employees.—(A detailed listing of rates for each year of service up to 6 years is included.)

The above yearly minima shall apply where regular experience has been had on recognized daily newspapers of general circulation, recognized news or feature syndicates, news magazines, or press associations.

Pay During Temporary Transfer

Under most agreements the employees are protected against loss of earnings when they are temporarily assigned to work which pays less than their regular rate of pay. However, if temporarily transferred to higher-rated work, the employer is usually required to pay the worker the higher rate which goes with the job assigned.

A

When regularly assigned trainmen are taken off their runs, to perform temporary service in yards, they will be paid not less than the amount they would have received on their regular runs.

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B

An employee temporarily transferred to a higher-paid position will receive the higher rate which goes with that position; but an employee temporarily transferred to a lower-paid position will continue to receive his regular rate of pay.

C

[Same as above with the addition of the following:] However, if transferred to a lower-paid position to avoid lay-off due to lack of work on his regular job, an employee will receive the regular rate of the job to which he is temporarily assigned.

Minimum "Call Pay"

A long-standing complaint of workers in industries having seasonal or intermittent employment is that they have been compelled to waste time and carfare in reporting for work when no work was available. Union agreements that cover work when such a situation is likely to arise commonly provide for a minimum wage payment to employees reporting or called to work, and place on the employer the obligation to notify employees when no work is available. In some agreements the notification may be by bulletin board announcements posted on the previous day. In others, the foreman may notify individual workers whether or not to report for work on the following day.

Unless the employees are ordered not to report, they are usually guaranteed pay for a specified number of hours, whether or not work is available. Such a minimum guarantee of wages ranges from 2 to 4 hours in most agreements. In some agreements the employees are further guaranteed that if they work a certain number of hours (usually half of their regular shift) they must be provided work or pay for a full shift. (See also Minimum Overtime Pay, p. 95.)

Some agreements which guarantee minimum call pay exempt the employer from such payment if the lack of work is due to a cause beyond the employer's control, such as inclement weather, failure of raw materials to arrive, or similar causes.

A

All regular employees will be considered called to work unless notified not to report at least — hours prior to their regular starting time. Any employee called to work but required to work less than — hours will be given — hours' pay; any employee required to work more than — hours but less than a full shift will be paid for a full day's work.

B

All regular employees will be considered called to work unless notified not to report at least — hours prior to their regular starting time. Any employee called to work but not required to work a full shift will receive a minimum of — hours' pay.

C

[Same as above with the following addition:] *Provided, however,* That the company will not be obliged to make such payment in case of inclement weather, failure of raw materials to arrive, or other factors beyond the control of the company.

Waiting Time

Production employees may be obliged to spend time waiting for material to be brought to them, for machinery to be adjusted or re-

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paired, or other causes which are no fault of their own. When paid by the hour or day it is generally assumed that their pay continues; when paid by the piece or job this waiting automatically reduces earnings. To avoid a complete loss of pay under these circumstances, agreements usually provide that the workers be paid their regular basic rate during "dead" time. In some cases a limit is placed on the amount of dead time allowed; if the stoppage exceeds this limit, the workers are sent home. (See also Making Up Lost Time, p. 89.)

A

Employees required to wait for supplies or machine repairs shall be paid for all such "dead" time at their regular rate of pay.

B

Piece workers obliged to lose more than 20 minutes' time due to power shutdown, machine breaks, or when waiting for materials after having notified supervisors of such condition, shall be paid during the time of waiting at the hourly rate of the department. This does not apply when these delays are caused by labor stoppages over which the supervisor has no control.

C

[Same as above with the addition of the following:] *Provided, however,* That such pay shall not exceed — hours for any 1 day.

D

If, following a major break-down of machinery or loss of power continuing over 1 hour, any employee shall be requested to remain ready for work, such employee shall be paid during such time at his base wage rate.

Full Pay Not Allowed.

In contrast to the above provisions which allow for full base pay, some agreements allow for only a portion of the regular rate and a few specifically state that time lost due to machine break-downs, accidents, etc., shall be deducted from the workers' earnings. Under certain circumstances such clauses may constitute a violation of the Fair Labor Standards Act. According to the Administrator's interpretation of this act all periods of inactivity due to machine breakdowns or time spent waiting for materials to be furnished which cannot "be utilized effectively in the employees' own interest" must be included in full in computing hours worked and therefore compensated.[1]

A

Whenever a machine shall become temporarily or permanently inoperative and the repair of the same during any workday shall cause the operating employees, except when they have been informed 12 hours in advance to stay home, loss of more than half an hour consecutively or cumulatively in any calendar day, the employer agrees to pay the operating employees for such time at one-half the rates of pay hereunder established and set up in schedule "A" which is made part of this contract.

B

Time lost by accidents, break-downs, or weather conditions beyond the company's control, when 15 minutes or more, is to be deducted from the employee's daily work record.

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[1] U. S. Department of Labor, Wage and Hour Division, Interpretative Bulletin No. 13, Oct. 30, 1940.

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Travel Pay and Out-of-Town Work

Agreements covering employees who are forced by the nature of their employment to travel out of town to their place of work frequently specify that the employer shall bear the cost of such out-of-town travel. The agreement may specify a fixed amount to be paid for each day away from home or it may provide merely that the employer pay the cost of board and lodging at prevailing costs in the community. In some cases the time spent in traveling also is compensated at the employees' regular rate of pay.

The employer will pay transportation costs for employees required to go on out-of-town jobs. All time consumed in traveling to and from an out-of-town job is to be paid for at the regular rate of wages, but will not exceed 8 hours in every 24 hours. An employee going out of town at night will not be paid, but sleeping accommodations and meals will be provided. When an employee is required to remain out of town until a job is completed, the employer will pay for his board and lodging at the rate of $—— a day, 7 days a week.

Transportation agreements covering regular intercity runs provide compensation for lay-overs, as well as costs of returning home when the trip ends at a distant stop.

Deadheading.—In all cases where a driver is driving on company or leased equipment he shall receive full pay, except that on two-man operation this rate shall be — cents per mile and on double bottoms the single-driver rate. In deadheading without equipment drivers shall receive — cents per mile plus the cost of transportation.

Lay-overs.—Employees on runs of 16 hours or less required to lay over away from the home terminal shall receive a minimum of 6 hours pay at — cents per hour in each 24-hour period, such allowance to begin at the end of the twelfth hour in the second 24-hour period after the run begins, plus comfortable sanitary lodging. On runs of more than 16 hours the same provisions shall obtain, except that the lay-over allowance shall begin 16 hours after the run ends. On Sundays and holidays only meals and comfortable sanitary lodging will be allowed.

Wage Rates for Out-of-Town Work.

In the building trades, the problem of wage rates on out-of-town work often arises. The wages to be paid on such work are usually the home rate or the prevailing rate where the job is located, whichever is higher. Some agreements specify that men shall be guaranteed full-time work while away from home.

When required to work out of town, employees will be paid the wages and work the hours established by this agreement, unless local wages are higher, in which case the local wages will be paid. All employees working out of town will receive full-time employment during such period.

Deductions for Poor Work

The problem of deductions for spoiled or damaged goods has been a source of contention between employers and unions in certain industries. Responsibility is very frequently hard to determine: the worker contends the damage was the fault of his machine or the materials, while the employer attributes the spoilage to the worker's carelessness. Furthermore, unions argue that no person is infallible and that workers' occasional mistakes, like those of the management, should be charged to operating costs. Reflecting this point of view, a few agreements forbid all deduction for breakage or spoilage.

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An employer may resort to outright discharge for careless work, especially if he has no means of applying penalties. As an alternative to the complete loss of income from such discharges, some agreements allow deductions for spoilage, if directly caused by the individual penalized. The union, in such cases, may take up as a grievance any deduction it considers unfair.

A

There shall be no deductions of any kind from any employee's pay except as specifically authorized by this agreement. In no case shall deductions be made for breakage or spoilage.

B

The employer agrees not to charge any employee for damage of materials or goods unless the damage is caused by the direct or actual carelessness of that employee. The issue of carelessness may be taken up through the regular grievance procedure.

Uniforms and Equipment

If employees are required to use special uniforms, raincoats, tools, or other equipment it is frequently provided in agreements that these must be furnished at no cost to the employee. In other agreements, the burden of paying for such equipment may be placed on the employee, but in such instances a limitation is usually placed on the total cost to the workers.

A

The employer will furnish and maintain, without charge to the employees, such [uniforms, equipment] as are required in the course of their work.

B

The employer will furnish and maintain, without charge to the employees, wearing apparel required in the course of their work when such is unsuitable for wear outside of working hours.

C

The employer may deduct from an employee's pay the cost of such [uniforms, equipment] as are required in the course of the employee's work, but such deduction is not to exceed $—— per pay period until the [uniforms, equipment] are paid for.

[A further deduction for laundry and repair charges is provided in some agreements.]

D

Each employee must furnish such [uniforms, equipment] as are required in the course of the employee's work, but no employee will be required to furnish more than: [List for each occupation].

Nonmonetary Additions to Wages

In a few industries, the custom is to allow certain privileges which constitute net additions to the money wages of the employees. The right to buy goods at discount, for example, is sometimes allowed in retail clerks' agreements. In industries such as lumbering and maritime where workers live at their places of work, employees are furnished meals and lodging. In the railroad and other transportation industries, employees sometimes receive free transportation for them-

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selves and members of their families. The nature of these perquisites is sometimes specifically stated in union agreements.

Meals.

Employees shall receive food without deduction from their wages. Such food shall be sufficient, pure, and wholesome, and it shall be served to employees in clean, well-ventilated, and sanitary rooms. The menu shall be changed every day, and shall provide for reasonable variety. Employees required to eat while on duty shall be allowed no less than 30 minutes for this purpose.

Discounts.

The employer agrees that its present policy of allowing soda-fountain employees a 50-percent discount off retail price of food and beverages at its fountains in said drug stores shall be extended to cover all employees in said stores, subject to such rules and regulations as shall be from time to time promulgated by employer with respect to the manner in which such discount is to be handled. These discounts shall remain in effect during the term of this agreement so long as the same are generally in effect for all employees of the employer.

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Chapter 4

Wage-Adjustment Plans

During normal times a small proportion of union agreements include provisions for the adjustment of the wage level during the life of the agreement. Since most agreements remain in effect for a limited period, usually 1 year, it is expected that the wages agreed upon can continue during that period without undue hardship on either party. In abnormal situations, such as periods of fluctuating prices or uncertain business future, a larger number of agreements include provisions for short-time wage adjustments during the life of the agreement.

Wage-adjustment plans which have been used in agreements are of two general types—permissive and automatic. The permissive plans authorize the opening of negotiations for new wage rates at stated intervals during the life of the agreement, or when either party can demonstrate a significant change in such factors as general economic conditions, cost of living, or prevailing wages. The automatic plans make compulsory a wage change in response to certain changes in the cost of living, the prices of given commodities, or profits. Both the permissive and the automatic plans may protect existing wage standards by authorizing pay increases only or by prohibiting decreases below the wage level negotiated at the time the agreement was signed.

Permissive Wage-Adjustment Plans

Wage adjustments, as well as changes in other provisions, are possible, of course, in any agreement with an indefinite term, since such agreements are reopened upon a stated period of notice by either party. Agreements which are to remain in effect for several years sometimes require new wage negotiations annually. Some agreements provide for a review of the wage rates at intervals, such as every 3 or 6 months. More frequently, permissive wage-adjustment clauses provide that either party is given the right to reopen the question of wage rates whenever it can be established to the satisfaction of both parties that general economic conditions or any of a number of specified conditions justify wage readjustments.

In order to avoid disputes as to whether or not negotiations should take place, some provisions specify that the request for a wage adjustment can be made only after a stated period of time or after a cost-of-living index shows a change of a specified amount. Some agreements permit only the union to propose wage negotiations during the life of the agreement. This is most likely to occur during a period of rising prices when the union is concerned with keeping wages in line with cost of living. Other agreements specify that

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either party may demand negotiations for wage adjustments whenever business or economic conditions, cost of living, or change in the competitive position of the employer shall warrant.

Wage Negotiations May Be Reopened if Cost of Living Changes.

In a number of agreements signed during a period of rising prices, the union is given the right to reopen wage negotiations should the cost of living increase. Some specify how much the increase must be before an adjustment in wages may be requested; others use such general criteria as "substantial" or "decided" change.

A

The union reserves the right to reopen negotiations concerning the wage scales herein, should the cost of living increase due to economic conditions, inflation, or other circumstances during the life of this agreement.

B

If at the end of 6 months from the date of the agreement there is a substantial increase in the cost of living as indicated by the cost-of-living index published by the Department of Labor, the employees may present a request for an adjustment of said wages, and in the event of a disagreement as to such request, the question shall be arbitrated.

Some agreements provide that either the union or employer may reopen the wage issue if there is a rise or fall in cost of living. Such agreements may provide for possible downward revisions in wages only to the level established when the agreement was negotiated. Other agreements permitting up-and-down wage adjustments according to cost-of-living changes do not specify a bottom level.

A

Due to the unsettled state in world affairs it is agreed that should the cost of living show an increase of 5 percent or more, then only shall the union have the right, upon 15 days' notice, to open the wage schedule of this agreement for adjustment, when conferences shall be held and any decision reached shall become effective immediately.

Should the union invoke this clause and an increase in wages be granted by reason thereof, then the company, should the cost of living show a decline of 5 percent or more, shall have the right to ask for a revision in the wage schedule; however, any revision under this clause shall not be lower than the rates herein established.

B

In case of any radical increase or decrease in the cost of living, the agreement may be reopened at any time for the sole purpose of readjusting wages by either party giving the other 15 days' written notice of such a desire. During the 15-day period, negotiations shall proceed between the parties to this agreement with a view toward making such changes as may be mutually satisfactory.

Wage Negotiations May Be Reopened if Prevailing Wages Change.

Some permissive wage-adjustment clauses allow the union to reopen negotiations if there are general wage increases among the competitors of the employer. Other clauses of this type call for periodic review of community wage scales and may result in downward as well as upward adjustment of wage rates.

A

It is further agreed that in the event that wages are increased generally throughout that section of the industry which is on a competitive basis with

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the company, the union may notify the company of its desire to confer on hours and wage and hourly rates; and within 5 days after receipt of said notice the company shall appoint representatives who shall be empowered to act jointly with a committee of the union and its representatives for the purpose of agreeing upon the hours and for wage and hourly rate adjustments considered necessary by the union.

B

The management agrees to maintain wages at an average level equal to or greater than those of the principal plants in [name of city].

The community level of wages will be checked on February 15 and August 15 of each year so that necessary adjustments may be made as of March 1 and September 1.

For the purpose of determining these averages, the monthly report of the [name] Manufacturers' Association will be used, copy of which report will be available to the union committee. The union, however, reserves the right to present additional data on wages; and any proof which the union may present that the above-mentioned report is in error will be taken into consideration in determining what the proper wages shall be.

Wage Negotiations May Be Reopened if Price of Product or Profits Changes.

Other factors upon which the reopening of wage negotiations during the life of the agreement may be conditioned include the price of the product manufactured or the profits of the employer. Some clauses of this type specify only increases, while others allow either party to reopen wage negotiations if prices or profits are changed during the life of the agreement.

A

In the event that during the term of this agreement the average prices charged for the products manufactured by the company are increased generally, both parties hereto agree to negotiate relative to further wage and salary increases within 30 days from the receipt by the president of the company of a written notice from the president of the union demanding such further negotiations. The company agrees to furnish the union upon demand information concerning any such general price change. It is agreed that such negotiations shall be confined solely to further wage increases and that the following factors shall be considered in arriving at a determination: (*a*) Increased prices charged for the company's products; (*b*) Index of commodity prices; (*c*) Prices charged for raw materials used by the company in its manufacturing processes.

B

In the event the management is in position and does increase its average selling prices of its products it is hereby agreed that the union may upon 30 days' notice to the management, reopen the wage question for further discussion, but not sooner than 6 months from date of the execution of this agreement.

C

It is agreed by both parties that this agreement may be opened at any time if there is an advance or decline in the price of [product], by either party giving the other party 30 days' written notice. This applies to wages only.

D

If the company earns an average of $—— net per month, before depreciation and depletion, between July 1 and June 30, then the wage schedule will be reopened for a discussion of an increase in the base wage.

Wage Negotiations May Be Reopened if General Business Conditions Change.

A few agreements condition changes in wages during the life of the agreement on general changes in economic or business conditions.

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Stated in these terms, unions or employers may introduce any of the factors such as cost of living, prices and profits, etc., when actual negotiations begin. As in the clauses discussed previously, variations in this type of clause depend on whether either party to the agreement, or only the union, is entitled to ask for reopening of the wage question.

A

It is agreed that if by [date] general economic conditions change to such proportions as to warrant an increase in wages, notice will be sent to all parties concerned, requesting that a conference be held within 30 days of said notice.

B

Whenever a decided change occurs in business conditions, either party to the agreement may propose a change in the general wage level. If a change is agreed upon, new rates will be negotiated and made a part of this agreement; however, any revision under this provision shall not be lower than the rates established by this agreement.

C

It is hereby agreed, that in the event of serious inflation or deflation caused by the spread or cessation of war or other grave national or international economic disturbance, this contract may be opened by either party on 30 days' notice for the consideration of wages and hours.

It is further agreed that exercise of this provision by either party is limited to one time during the life of this contract.

D

It is further agreed that if there shall occur a general decline or fall of earnings of workers in the industry, or if the cost of production on the same type and condition of equipment shall decline, or if general conditions shall warrant a decrease, then any member mill whose competitive position is adversely affected thereby may request, in writing and in detail, a specific revision of its rates of pay. In the event there shall occur a rise in the earnings of workers in the industry, or of the cost of living, or if conditions generally shall warrant an increase in earnings, then the union may request, in writing and in detail, a specific revision of the rates of pay in any member mill. In either event, the union and member mill involved shall negotiate the request, and if they cannot agree, within 30 days after receipt thereof, then the matter shall be submitted to arbitration.

E

Every 3 months the employer and the union will discuss the general wage level in the light of existing business conditions and if it is agreed that a change in the wage level is warranted, new rates will be negotiated and made a part of this agreement.

Automatic Wage-Adjustment Plans

Automatic wage-adjustment plans are designed to adjust wage rates to fluctuations in the purchasing power of wages or in the ability of the particular business enterprise to pay higher or lower wages. The amount of the wage change may or may not be specified, but all such provisions make mandatory a change in wages whenever certain other changes have taken place.

Most unions have been reluctant to include automatic wage-adjustment plans based on a cost-of-living index in their agreements on the ground that such plans would freeze workers' standards of living at the existing level. Wage adjustments based on profits or prices

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might result in a lowering of workers' standards of living, even though work effort and output were maintained or increased. However, in periods such as wartime, when retail prices are rising rapidly and voluntary restrictions on strikes make it difficult to obtain wage increases by the usual bargaining methods, the automatic plans for adjustment of wages to cost-of-living changes are more likely to be included in agreements.

Wages Automatically Geared to Cost-of-Living Index.

The purpose of automatic adjustments in money wages to changes in the purchasing power of the dollar is to maintain at a fixed level during the life of the agreement the amount of goods and services the wages will buy. This is effected by gearing wages to a cost-of-living index. If wage rates are keyed to cost of living, then "real wages"—the amount of goods and services which the worker can buy—remain approximately the same.

It should be noted that these provisions which automatically tie wages to a cost-of-living index do not eliminate all fluctuations in real wages, since at best the wage change can be made retroactive only to the date for which the index was computed and not to the exact time of the changes in cost of living. If the index has risen sharply, the payment of wages retroactively may impose a difficult obligation on the employer. If the index has fallen, there is theoretically the problem of collecting from the workers a proportion of the wages already received and spent. From the practical point of view it is virtually impossible to avoid the lag in real wages brought about by dating the wage adjustments from the date of publication of the index.

In addition there is the question of how well a general index measures actual changes in the cost of living of a specific group of workers in a given locality. Workers with lower incomes will find their living costs rising faster than this index if food prices are going up more rapidly than the prices of other items, because a larger proportion of their income goes to buy food. Furthermore, changes in retail prices, in a given community, may or may not follow the changes taking place in the cities for which cost-of-living indexes are available.

Changes in the cost of living are usually expressed in percentage terms. A comparable percentage increase (or decrease) in wages will, therefore, restore the former real earnings. A flat increase in cents or dollars has the effect of narrowing the percentage difference between the lower- and higher-paid workers. Hence, if the allowed flat increase is just equivalent to the percentage necessary to restore the real wages of the lowest-paid workers, only a part of the higher-paid workers' income is protected. The purchasing power of the remainder of the better-paid workers' earnings will fall with the rise in living costs.

Most frequently the agreements which provide automatic adjustment of wages according to cost of living provide that the change in wages shall be the same percentage as the change in cost of living. Some, however, specify a flat amount expressed in cents per hour for a given percentage change in cost of living. Some agree-

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ments provide that wage changes may take place only at specified intervals; others, when the cost-of-living index reaches a specified amount.

A

In view of unsettled economic conditions which are apt to result in violent changes in the cost of living, it is hereby agreed: That the piece rates paid to piece workers and hourly wages paid to week workers shall be revised periodically in accordance with the changes in the cost of living as computed and published by the United States Department of Labor. That whenever the cost-of-living index registers a change equal to or exceeding 5 percent since the last published figure prior to the signing of the agreement, an automatic change in the piece rates or wages shall be instituted on the date 1 month following the publication of the index by the Department of Labor: That thereafter such adjustments should take place whenever, in the aggregate, the changes in the cost of living amount to or exceed 5 percent from the date of the latest wage adjustment.

B

The corporation will recognize an advance in the cost of living, as evidenced by labor statistics for the ——— area published by the Department of Labor for low-salaried workers, on the following basis: If, during this July–December period, the cost of living has advanced beyond the cost of living on [date], the corporation will make an adjustment for the period January 1–June 30, as follows: When the percentage advance is sufficient, calculated on the basis of 40 cents per hour, to turn out 1 cent, all wages will be advanced 1 cent per hour. Example: Assuming the cost of living advanced 2½ percent during the period July–December, then for the period January–June wages would be advanced 1 cent per hour, because 40 cents per hour times 2½ percent is 1 cent. There shall be no increase in wages if the percentage advance in living is less than one-half cent; the increase shall be the nearest even cent.

Cost-of-Living Bonus.

The following provides for monthly bonuses to equal any change in the cost-of-living index, no matter how slight. Such clauses are very rare, principally because of inherent difficulty of operation.

Each successive month during the life of this agreement, the cost of living as reflected by the Bureau of Labor Statistics will be examined and the percentage of increase above the cost of living as of [date of agreement] will be paid to all employees in a supplemental check each month.

Combination Permissive and Automatic Adjustment.

A number of agreements provide for automatic adjustments in wages according to cost of living up to a specified amount; if the cost of living continues to rise, the wage question then becomes a matter for negotiation between the company and the union. The following agreement also opens up the wage question if there is a decline in the cost of living sufficient to bring wages below those obtained when the agreement was signed.

The company will provide for wage adjustments based on fluctuations in the cost-of-living index as issued by the United States Department of Labor. If the cost-of-living index increases from the index for [the month in which agreement was signed] in an amount of at least 5 percent, then the company shall adjust the wage scale by an additional amount of 5 percent. Thereafter the company shall make similar adjustments of 5 percent for each additional 5 percent increase in the cost-of-living index over and above the index for [the month in which agreement was signed] until a total increase of 15 percent has been made. If there is a further increase of 5 percent in the cost-of-living index after a total increase of 15 percent on the wage scale has been made, then a meeting with union representatives will be called by the company to discuss the wage scale for the duration of this agreement.

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If the cost-of-living index should decrease by 5 percent from the index which was the basis for any upward wage adjustment, then the company shall make a reduction in pay equal to 5 percent of the wage scale for [the date agreement was signed] until the wage scale for [the date agreement was signed] is reached. If there is a further decrease of 5 percent in the cost-of-living index after the wage scale for [the date agreement was signed] has been reached a meeting with union representatives will be called by the company to discuss the wage scale for the duration of this agreement.

Any increase or decrease in the wage scale shall become effective on the first day of the month following the publication of the cost-of-living index by the United States Department of Labor.

Automatic Adjustments Based on Prevailing Wages.

In a few cases wages are automatically adjusted to any changes in those paid by competing firms, generally throughout the industry or within a specified locality.

The company agrees that the average wage rates in all of its job classifications shall be equal to the average wage rates in similar job classifications in the industry in southern California. Therefore, the company agrees that three times annually during the term of this contract it will review wage rates in the industry in southern California. If the company finds that its wage rates are in any instance below the rates which are being paid in similar classifications in the industry, then and in that event the company agrees to adjust its wage rates to make them equal to said average wage rates in the industry in southern California. It is understood, however, that in no case shall wages be revised downward or below the minimums set by this contract.

Automatic Adjustments Based on Prices.

In the automatic plans which gear wages to the prices of specified commodities or to the amount of profits, the purpose is not to maintain purchasing power at a fixed level but to regulate wages according to the company's ability to pay. Since high prices do not necessarily mean high profits and vice versa, there is considerable question concerning the accuracy of measuring a company's ability to pay by the price of the product produced. In only one industry, metal mining, have such plans been prevalent, although the union has opposed them and has succeeded in eliminating them in several agreements. In this industry wages have fluctuated with the selling price of a specified metal or with a combination of the prices of several metals. Such an arrangement is usually referred to as "sliding scales."

A

If the company is able during the term of this contract to increase selling prices of its line of products in amounts which will be an average increase of 10 percent over selling prices as of June 1, 1939, the company agrees to increase day rates and piece-work rates 5 percent over the rates prevailing on June 1, 1939. If selling prices increase an average of 10 percent over selling prices in effect as of April 10, 1938, the company agrees to increase the day rates and piece-work rates to the scale prior to April 10, 1938.

B

The wage scale for employees shall rise and fall with the rise and fall of the price of electrolytic copper, the present wage differentials between the various classes of labor being maintained, except when the price of copper is below 9 cents per pound the lowest paid employee underground shall not receive less than $4.70 per day.

The wage rates for machine miners shall be subject to variations in amounts as set forth opposite the following copper-price brackets, shown in example below:

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Copper price per pound	Machine miners' wage rate per day
0 to 8.99 cents	$4.95
9.00 to 9.49 cents	5.20
9.50 to 9.99 cents	5.45
10.00 to 11.49 cents	5.70
11.50 to 12.99 cents	5.95
13.00 to 13.74 cents	6.10
13.75 to 14.49 cents	6.25
14.50 to 15.24 cents	6.40
15.25 to 15.99 cents	6.55
16.00 to 16.74 cents	6.70
16.75 to 17.49 cents	6.85
17.50 to 18.24 cents	7.00
18.25 to 18.99 cents	7.15

Provided, however.—(*a*) That if the price of copper falls below 9 cents per pound and wages as set out in the contract require adjustment to permit operations to continue, a conference shall be called to arrive at an adjustment of wages.

(*b*) In case the price of silver increases or decreases from 71.11 cents per ounce the wage rates above set forth shall increase or decrease 2 cents per shift for each 1-cent variation in the price of silver.

(*c*) That the wage rate for the first 15-day period of each calendar month shall be determined by the average price of copper for the first 15 days of the preceding calendar month and the wage rate for the remainder of each calendar month shall be determined by the average price of copper for the remainder of the preceding calendar month.

(*d*) That no advance in wage rates shall be made unless the average price of lead has been at or above 40 percent of the average price of copper for the determining period specified in paragraph (*c*) above.

(*e*) That the price of copper used above shall be the price of electrolytic copper at Connecticut Valley points, and the price of lead used above shall be the price of lead at New York City, both as published in the Engineering and Mining Journal.

(*f*) Differentials shall be maintained, but in the case of an individual employee whose rate is obviously unfair, it is agreed that local negotiations may be entered into for the purpose of establishing a fair rating in view of the work the employee is doing.

Profit Sharing

Most of the profit-sharing plans now in effect in American industry are in unorganized plants. Consequently, profit-sharing provisions are not often found in union agreements. In contrast to automatic wage adjustment, profit sharing usually takes the form of annual or semiannual bonuses, supplemental to regular wages. Although unions consider profits along with other elements in formulating their wage demands, they usually do not favor the formal profit-sharing plans. They naturally prefer an immediate wage increase to a chance for uncertain and delayed income, the computation of which the union is unable to check for accuracy. Occasionally, however, profit-sharing plans are included in union agreements. Some of these are, in effect, not more than a moderate Christmas bonus.

A

It is further agreed that if at the expiration of this agreement, it is found that the company's earnings for the year then terminating, are in excess of the amount required for current bond interest, and interest on new equipment notes by any amount up to $10,000, the amount so earned above interest will be distributed as a bonus among all employees, except corporate officers, in

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proportion to the number of months worked during the 12-month period; the company to retain earnings, if any, in excess of $10,000 over and above the interest requirements for the year. In computing the number of months, employees must have worked at least 2 weeks in any month to receive credit for that month.

B

If the company's net earnings from manufacturing exceeds $—— in the calendar year, then the company will pay a bonus for such year equal to — percent of the amount such earnings are in excess of the above figure, to be paid 2 weeks after the auditor's statement has been accepted by the company. All factory employees who have worked — weeks during the year shall participate in the bonus on the basis of the proportion which the employee's total yearly pay bears to the total yearly pay of all employees eligible to receive the bonus.

C

The employer agrees that all profits exceeding $—— at the end of [year] shall be divided equally between stockholders and employees. The employees' share, however, is not to exceed 1 week's pay, which will be given to them at Christmas

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Chapter 5

Incentive-Wage Plans

An incentive-wage plan is a method of wage payment by which earnings fluctuate more or less in accordance with actual output, thus providing an immediate financial stimulant to increased effort and output by individual workers. In their simplest form incentive wages are straight piece rates, under which a fixed sum is paid for each article produced or worked on. Under the more complex incentive systems, a premium or bonus is allowed for production in excess of a previously determined standard.

There are many variations of these premium or bonus incentive systems. In contrast to straight piece work, most of the complex incentive plans reward faster workers not directly in relation to increased output, but in a decreasing ratio to increased output. Thus a part of the value of the worker's increased production is retained by the management as a payment for efficient supervision and efficient working conditions, which presumably helped make possible the increased output.

A variation of the incentive system which has been adopted in some plants is the group incentive, under which earnings of individual workers fluctuate according to the computed efficiency of the group as a whole.

Although many unions have traditionally opposed incentive-wage plans in principle, there is a wide divergence in union policy toward incentive-wage systems. Most unions realistically appraise the situation in their industry and adapt their tactics to the problems they find in each case. Some incentive plans have been abolished or modified as a result of union pressure. Others have been hedged with restrictions until the workers no longer oppose the incentive system. In some cases the union has cooperated in extending the incentive plan to workers not previously covered by it.

Generally speaking, the attitude of each local union can be explained in terms of its past experience with its particular incentive problems, as well as by the length of its collective bargaining relations and the degree of satisfaction obtained from them. The unions' chief objections to incentive systems may be summarized as general distrust of the impersonal nature of scientific management methods, the fear of wage-rate cutting and "speed-up," and the unemployment and dilution of skills caused by the break-down of crafts into semiskilled operations.

Incentive wage plans exist generally throughout certain industries, while time rates prevail in many others. The apparel trades, for example, including clothing, shoes, hats, and millinery, have long been characterized as "piece rate" industries. Much of coal mining is on a tonnage basis. In railroad train and engine service, wages are calculated according to the mileage or the hours spent on the run,

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whichever is higher. In the rubber, glass, and electrical products industries the "point" incentive systems, such as "standard hour," "measured day rate," and others, have been widely introduced. The construction, printing, and service industries, however, are examples of industries in which time rates prevail.

Unions seek to incorporate in their agreements specific guaranties which protect workers against abuse of the incentive principle. These safeguards include the right of participation in the setting of new and revised rates; the right to adjust unsatisfactory rates through the grievance procedure; and guaranteed earnings, both minimum hourly rates and specified percentage earnings above the minimum. Equally important, when incentive plans are involved, are union-agreement safeguards on time study and other management methods which affect workers' earnings. (See ch. 6, p. 61.)

Provisions Establishing or Changing Incentive Systems

Incentive Systems Prohibited.

In plants where incentive plans have been the subject of dispute, the agreements often contain provisions guaranteeing a given wage method or requiring that any changes from the present system be negotiated. Where unions have had incentive systems eliminated, they frequently introduce agreement restrictions barring their recurrence.

The present premium system of the company shall be abandoned and no premium or piece-work system shall be substituted without the consent of both parties.

Incentive Systems Allowed.

In contrast to the above, some agreements specifically insure the retention of incentives.

A

The management shall retain the authority to install improved equipment or methods and to decide on the quality of workmanship and to decide from time to time the manner of payment such as day work or piece rate on measured production. This shall not result in a wage reduction.

B

Nothing in this agreement is to conflict with the incentive plan in effect and to be further installed * * *. The employees and the union will cooperate with the company in the maintenance of such standards and the extension to and maintenance in other departments of the plan of labor measurement and time study employed by the company.

Changes Through Joint Negotiation.

Sometimes the whole issue of an incentive method is opened to review and negotiation by both parties.

A

The union and the employer will study the present incentive system with a view to modifying it and providing a more equitable distribution of earnings to all employees.

B

It is mutually agreed that should the workers in any department present a petition where a majority of the workers desire a change from piece work to straight day work, the company and the union will each appoint a committee

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of three men jointly to work out the details involved in making any change. Any proposal which such a committee works out shall be mutually acceptable to the union and the company before it becomes effective.

C

Whenever mutually regarded as desirable and practical, units working under any incentive system may be changed to or from either group or individual type of bonus, as may be determined after fair consideration.

Union Participation in Settling Piece Rates

Incentive rates, standards, and methods are frequently included among the items which union agreements list as being subject to grievance proceedings. Even when they are not specifically enumerated, it is implicit in the grievance clauses of practically all agreements that such matters are proper subjects for grievance action. However, many unions seek to establish a more definite bargaining right as regards incentive wages—the right to negotiate in advance all new incentive rates and all changes in such rates. When rates are established as a result of time studies, unions may participate in time-study procedures. (See ch. 6.)

The right of advance participation in rate settlement is clearly recognized in most of the union agreements in the clothing, millinery, hosiery, and shoe industries. In some cases the agreement provision contains only the brief statement that piece rates are to be a subject of bargaining during the life of the agreement.

Wage scales and piece rates shall be mutually determined between representatives of the firm and the union.

In other agreements the bargaining procedure is set forth in some detail.

A

Price committee.—In the adjustment and settlement of piece rates, the member of the association and/or his representative, a representative of the union, and a representative committee of the workers of the contractors' shops and inside shops involved shall participate.

Earnings above minimum.—This system of settling piece rates with the jobber is not to increase piece rates in such shops where the workers' earnings are above the minima provided for in this agreement.

Unsettled garments.—Garments shall be settled before they are put in work. However, workers may work on unsettled garments for the current week, provided that such garments are settled in time so that the workers will receive pay on the next following regular pay day for all work performed on such garments during the week preceding. At the time of settlement of piece rates, there shall be recorded in triplicate on a special form for each style settled the style number thereof, a full description thereof, and the piece rates for each craft. Each such form shall be signed by the member of the association whose garments are settled, or his representative and the representative of the committee of the workers. Upon request of either party to this agreement, the administrative board and/or the impartial chairman shall settle the prices on any garments in dispute within 48 hours.

B

All piece rates are to be agreed upon by the employer and the union. If time studies are required, the employer and the union will agree upon the conditions of the time study and jointly conduct the time study. If the employer and the union are unable to agree upon the conditions or results of a time study, the rate in dispute will be settled through the regular procedure for handling grievances. No worker shall be required to do any work until the piece rate has been determined.

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C

All piece prices shall be adjusted and agreed upon between the employer or his representatives, and the price committee representing each craft. All price conferences between the employer or his representative, and the price committee shall be held at least once a week at a specified time * * *.

In the event a price is agreed upon, such price shall be binding and final on the employer and the employees. In the event that they are unable to agree upon a mutually satisfactory price, the union representative shall be called upon to adjust same with the employer or his representative * * *. In fixing piece-work rates, the same shall be computed on a basis to yield the average worker of the various crafts for each hour of continuous work, the amounts shown in schedule A. An average worker shall be agreed upon by and between the employer and employees.

D

A "test hand" will be chosen by agreement between the employer and the price committee of the union. The price to be determined by such test hand must be equal to the established hourly rate of the test hand multiplied by the number of hours it takes the test hand to perform the operation. The hourly rate of the test hand will be established by having him perform, without interruption or interference, at least two operations on which piece prices have been satisfactorily settled. The amount earned by the test hand on these operations, divided by the number of hours consumed, will determine the established hourly rate of the test hand. In the event that the employer and the price committee cannot agree on a test hand, they will each select one, and the price will be established as the average of the two test prices thus determined.

Notification Before New Rates Effective.

The right of advance participation in wage-rate settlement is not widespread outside of the apparel industries. In some individual plants in the heavy manufacturing industries, shop committees are notified of rate changes, sometimes by bulletin-board announcements, so that the union may protest any rate which is considered unfair before it goes into effect.

A

Before new bonus values or changes affecting the earning capacity of an employee or group are put into effect, the matter shall be discussed with their representative, their shop foreman, and the head incentive official in the plant, and upon any failure on their part to reach a mutually satisfactory agreement, the matter shall be referred to the industrial-relations committee for settlement with the plant management.

B

All other new or revised standards (Bedaux) shall become effective at the expiration of 20 hours after being posted: *Provided, however,* That upon request of the department committeeman, such new or revised standards shall, prior to becoming effective, be discussed for the purpose of clarification. Temporary rates covering changes constituting a maximum of 10 percent of the whole operation shall, after a time study has been made on the new operation, become effective after being posted 1 working day.

C

No reductions of rates are to be put in force except with the consent of the department foreman, the time-study man, and the authorized union representative.

D

Union representatives are to be notified of all rate changes; new rates must be posted first for 48 hours.

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Rate Adjustments Through Grievance Procedure

Employers in the more recently unionized industries are reluctant to grant advance union participation in incentive standards. They usually insist that new rates be given a reasonable trial period. Employers point out that the first rate proposals on new production items or on new machines are always likely to seem too low to the workers until by actual work experience they gain the skill and get into the new routine.

In most industries, union participation in incentive problems is through grievance procedure only. Unions ordinarily do not have special clauses in their agreements granting them this right, but rely on the ordinary grievance procedure set up in the agreement. A few agreements are more explicit:

A

The employer will continue to set rates for piece-work operations. It is agreed that any dispute over such rates may be taken up through the regular grievance procedure. Any agreed-upon adjustment in piece rates shall be retroactive to the start of the work on that operation.

B

Any questions relating to rates or standards under the incentive plan may be taken up through the regular grievance procedure.

C

After reasonable trial, bonus standards can be opened for discussion and possible change in accordance with grievance procedure.

Check weighman.—In coal mines, where wage payments usually are on a tonnage basis, unions have secured the right to check the output of each miner and thus enforce the wage scale.

The mine workers shall have the right to a check weighman, of their own choosing, to inspect the weighing of coal; provided that in any case where on account of physical conditions and mutual agreement, wages are based on measure or other method than on actual weights, the mine workers shall have the right to check the accuracy and fairness of such method, by a representative of their own choosing.

Cars shall be tared at reasonable intervals and without inconvenience to the operation of the mine. Tare shall be taken of the cars in their usual running condition.

At mines not employing a sufficient number of men to maintain a check weighman, the weight credited to the mine workers shall be checked against the billing weights furnished by railroads to the operators, and on coal trucked from such mines a practical method to check the weights shall be agreed upon. Such weights shall be checked once a month.

The wages of check weighmen will be collected through the pay office semimonthly, upon a statement of time made by the check weighman, and approved by the mine committee. The amount so collected shall be deducted on a percentage basis, agreed upon by the check weighman and clerk, from the earnings of the mine workers engaged in mining coal and shall be sufficient only to pay the wages and legitimate expenses incident to the office.

If a suitable person to act as check weighman is not available among the mine workers at the mine, a man not employed at the mine may be selected upon mutual agreement.

The check weighman, or check measurer, as the case may require, shall be permitted at all times to be present at the weighing or measuring of coal, also have power to check weigh or check measure the same, and during the regular working hours to have the privilege to balance and examine the scales or measure the cars, providing that all such balancing and examination of scales shall

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only be done in such way and at such times as in no way to interfere with the regular working of the mine. It shall be the further duty of the check weighman or check measurer to credit each mine worker with all merchantable coal mined by him on a proper sheet or book kept by him for that purpose. Check weighmen or check measurers shall in no way interfere with the operation of the mine.

Revision of Rates

Union agreements which provide incentive wages sometimes specify that after a rate has been established which is satisfactory to the union, there will be no change in rate on that operation unless there is a significant change in product or methods of operation. This arrangement aims to protect the employees by assuring them that if they increase their effort as a result of the incentive, the employer will not subsequently decrease the piece rate to bring their earnings back to their former level. In order to reduce a piece rate under such an agreement, the employer must prove that there is some reason other than the increased effort of the workers which justifies a change in rate.

If more efficient machinery or other productive methods are introduced by the employer, resulting in a higher output per worker, the union agreement often provides that the new rate must yield the worker the same or higher actual earnings than before the change was made. In a few cases the union and the employer have agreed that a definite percentage of the saving in labor cost—for example, one-third of the difference between the old rate and the new rate—is to go to the workers when improved machinery or methods are introduced. In other cases, while no definite percentage is specified, the newly negotiated rates may result in increased earnings on the improved operation, even though the piece rate is lower.

A

Piece-work or bonus rates on any particular operation will not be changed unless there is a significant change in the material or method of operation. When improved methods are introduced, new piece rates may be agreed on, but — percent of the savings in cost (difference between the new rate and the old one) shall be added to the new rate to increase the earnings of the individual operators.

B

[Same as above, except for last sentence:] When improved methods are introduced, new piece rates may be agreed on, but no worker shall suffer a decrease in earnings as a result of the new rate.

C

When it is believed that a piece rate is out of line with the general piece-rate structure, a new piece rate will be set upon request by either party. No change in product or methods of operation may be instituted until piece rates have been agreed upon.

D

[Same as C above with the following substitute for the last sentence:] New piece rates will be retroactive to the time of the change in product or methods of operation.

E

If there is any change in designs, methods, tools, equipment, or order quantities which changes the efficiency of any operations, or if a new operation or a

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combination of new operations with old operations are brought into the plant, the company will set a standard of production for such operations. Such standards shall be considered temporary for the first 30 days unless otherwise specified by the company. If any employee questions the standard production permanently set on any of the operations referred to in this paragraph, such employee may present the same as a complaint or request under the complaint procedure provided for in this agreement.

F

Rates found over or under the departmental piece-work average shall be altered to conform to the average.

Guaranteed Earnings

Unions are naturally interested in protecting their members against any significant drop in earnings due to causes beyond their control. If, because of machinery break-down, failure to receive work, or other causes, an employee is prevented from achieving an expected rate of production, many agreements provide that a part of this be made up by the employer through guaranteed minimum pay. (Under the Public Contracts and Fair Labor Standards Acts employers subject to the act are required to make up employees' piece earnings which fall below the hourly minimum rate set for their particular industry. This would also be the case in most instances for employers covered by State minimum-wage laws.)

Another form of guaranteed minimum pay found in some agreements requires that piece rates be revised upward if the average earnings of all the workers on the job do not reach a specified hourly, daily, or weekly minimum. A somewhat similar purpose is accomplished by provisions which require that the piece rates shall be adequate to insure that a specified proportion of the workers earn the established wage or more.

A

All employees will be paid on the basis of piece rates, but each employee will be guaranteed minimum pay amounting to $—— per [hour, day, week].

B

All employees will be paid on the basis of piece rates, but if it is established that average earnings in any operation fall below $—— per [hour, day, week] in any pay period, the piece rate on that operation will be revised to bring the average earnings of all employees engaged in the operation up to this amount.

C

Piece rates shall be sufficient to enable at least 80 percent of those working on the type of merchandise in question to earn at least the minimum wage on the conditions specified. If 80 percent do not earn the minimum wage the rate shall be adjusted, under the provisions of section —. If, however, 80 percent or more of the workers of any craft earn the minimum wage, it shall be deemed that the piece rate is correct and the employer shall not be required to pay up to the minimum to the minority not earning the minimum.

D

Workers making less than 90 percent of the average production in the plant shall be deemed substandard and the employer shall not be required to pay up to the minimum to these workers.

Somewhat similar to the above measures for protecting and maintaining incentive earnings is the provision which obligates manage-

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ment to establish and maintain incentive rates which will assure the average worker a definite amount of earnings over and above the base rates. Union efforts are directed toward getting a definite commitment on the margin percentage as well as securing such guarantees in earnings to as many workers as possible.

A

No piece rate is to be set upon which the earnings of an employee based on normal production shall be less than 20 percent above the minimum guaranteed rate.

B

Incentive-plan workers who are qualified will be guaranteed a 17½-percent bonus over their day rates on a weekly basis.

C

A piece worker unable to make reasonable wages through no fault of his own shall be paid at least his average daily earnings.

There are instances in which potentially loose rates or extra effort on the part of workers are given protection up to a specified point in agreement clauses.

A

Employees on piece work shall be allowed a 15-percent over-earning.

B

If a job is high, it cannot be cut until it exceeds 100 minutes on classification.

Exceptions to the guaranteed minimum are found in a few agreements. When the worker's efficiency falls below a specified standard, the employer may pay less than the general minimum established in the agreement, although, of course, workers covered by the Fair Labor Standards Act and similar State laws must be paid the minimum wage required by law regardless of individual productivity.

When the productive work of an experienced employee decreases without proper cause to less than 60 B's per hour, the company may pay only for the actual productive work performed.

Equal Opportunity Under the Incentive Plan

In factories operating under an incentive system, certain piece or bonus rates may allow higher daily earnings than rates for other work on the same operation. To avoid favoritism in distributing the work among the employees, some agreements provide that all work be distributed equally among those eligible, so that each employee has equal opportunity to earn the bonus.

Wherever employees work under an incentive system, every effort will be made to distribute work equitably among incentive workers so that all workers have an equal opportunity to earn bonus.

Safeguards on Group Incentive

When incentive wages are calculated on the basis of group production, individual earnings may suffer when there are changes in the personnel of the group. In a few instances unions have established safeguards against such loss.

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A

All men assigned to groups shall not become part of said groups as far as sharing in group earnings is concerned until such time as foreman and group mutually agree a new man is qualified.

B

Average earnings shall be paid to employees working on a group system when an inexperienced employee is put on a job until he makes a 60-B hour, but only up to 15 days. When an experienced employee is asked to break in a new man, he shall receive average earnings until the new man makes a 60-B hour, up to 15 days.

Chapter 6

Time Studies and Standards of Production

Regardless of whether wages are computed on a time or incentive basis, there is usually some formal or informal evaluation of the relative skill required on the several jobs and some determination of the expected production of "average" employees on each operation. Informal job or production standards may be based on past experience for similar work with "rule of thumb" allowance for new variations. In the larger industrial units, however, it is customary to determine production standards and skill requirements through more precise analysis of the elements of each operation, with time and motion studies of "average" workers and estimated allowances for fatigue, rest periods, machine stoppages, waiting for materials, etc. On the basis of such studies, jobs are evaluated and classified according to skill and other requirements, and the "normal" production output for each job is established.

While some unions have resisted the introduction of time-study methods, most of the unions affected have accepted time studies as necessary, and have proceeded to erect safeguards which prevent many grievances from arising.

Time-Study Safeguards

Many unions want to be assured through specific agreement provisions that they may have a voice in the methods employed in arriving at all rates and standards. While particular grievances or problems concerning time studies and production standards may always be appealed through the regular grievance procedure, many unions seek definite safeguards in advance against possible grievances. Some unions desire active participation in the time-study process.

Union Participation.

The degree of participation in job evaluation and time study called for by union agreements varies greatly. Constant and direct union participation in all the time-study activities within a given plant does not occur except in a few special situations where union representatives have been put on time-study staffs or where the union is cooperating in the introduction or reorganization of an incentive plan.

A

There shall immediately be instituted a joint study between the union and the company of all jobs throughout the mill designed to bring about a uniform

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job classification and wage schedule for all semiskilled employees. In event of misunderstanding or dispute arising out of job classification or establishment of rates the matter is to be immediately referred to Mr. ——— as impartial arbiter, and both the company and the union agree to abide by his decision.

B

The time study is to be made in conjunction with the steward of the department and one committee member. They will time-study the job as long as deemed necessary to establish a rate. After sufficient time in studying they will work out the rate of production.

Union Consultation.

The most prevalent safeguard placed on time studies in union agreements is the provision that the union is to be consulted on the choice of the worker to be timed and the conditions under which the time study is to be made.

A

The union will be informed of all time studies in advance. There will be mutual agreement between the union and the time-study department as to the worker to be timed and the conditions of the study, and the union may post observers while the study is being made. Any disagreement over the time study will be taken up through the regular grievance procedure.

B

Proposed studies and results of time studies and other matters of mutual interest will be explained to and discussed with the chief steward before being put into effect.

C

Whenever the company and the employees cannot agree on the time allowed for the operation, the company and the union shall time the job together.

D

Time studies may be reviewed by the union committee. Protests may be taken up through the grievance procedure.

Conditions Surrounding Time Studies.

Another group of provisions dealing with time-study procedures are those which prescribe some of the conditions under which studies are to be conducted, as well as the factors to be taken into account. This eliminates complaints by workers that above-average workers were timed or that abnormally favorable work arrangements were employed during the time study. In contrast to the worker who is supplied with an uninterrupted flow of material during the timing process, for example, the union may contend that workers in practice have to go and get certain materials or often wait for material to be brought to them. It is also a common charge that rates too often are set on the basis of a perfunctory and inadequate time study.

A

The workmen in cooperation with the time-study man shall try out the operation a sufficient number of times to establish a set time for the operation which shall be jointly agreeable to the workman and the representative of the company. Where it is necessary to time study more than one operator, the company shall be required to time study not more than three operators in order to set the rate on the job. At no time shall a set-up man or foreman be time studied on any operation.

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B

When practical, time studies will be made on experienced operators who regularly perform the work * * *. Time studies on such operators will be used in determining their average. The same applies to rechecks. When one operator is time studied more than once, all studies will be used in determining the average output for the operator.

C

In timing jobs, the quality of work and the materials to be used, as well as the type of machine on which jobs are to be run, shall be specified. An operator may request to see the timing figures and calculations used in determining his rate when a new rate is set.

Secret Time Studies Prohibited.

Workers are naturally opposed to secret or concealed time studies. Although this matter is rarely mentioned in agreements, a few of them require that the workers are to be notified when time studies are taken and require that the union be informed of the results of all time studies.

Whenever a time-study man is timing or checking an operation, he will use the time-study board with the stop watch attached so that the operator will know that he is being observed, and the departmental committeeman will be notified before the timing is started.

Results of all time studies shall be furnished to the departmental committeeman within 48 hours after the time-study man leaves the department. The latter shall furnish the operator on the job before he leaves an accurate record of time not allowed on the operation studied.

New Models or Process Changes.

In some industries and on certain types of production there is a question as to just when, as production gets under way on a new article, a new model, or new equipment, it is fair to both sides to take time studies and set rates or standards.

A

It is understood that operations will be time studied as soon as they are running efficiently * * * the company will be allowed 4 working days to get an operation running efficiently, except on major changes done on lines, when they will be allowed a total of 10 working days.

B

Standards shall be established by time study on new jobs within 10 days after temporary rates have been posted. All rates shall be retroactive to the date on which work on that particular operation was begun.

Time-Study Allowances.

Occasionally a union agreement will contain a detailed statement to the effect that certain specific time allowances are to be granted when the results of time studies are applied to the setting of production standards. Among the factors provided for are necessary lost time, fatigue, and personal time.

In timing all jobs, the time allowed for performing an operation shall be the time necessary for the regular operator familiar with the operation, the tools, equipment, the material provided, and the quality of the finished part up to the standard required by the inspection department, without causing excess scrap, or undue damage, wear of tools and equipment, with operator working at a pace he can maintain day after day without injury to himself

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or his fellow employees; with such time allowed to replenish the supplies, oil and clean the equipment, and all the details that are necessary and which are expected to occur in the ordinary day's work. Those are classed as contingencies and a percentage shall be added to the time allowed to take care of them. In addition, 10 percent of the time allowed for actually performing the operation shall be added for personal contingencies.

Production Standards and Work Loads

The general safeguards established for time study and rate setting, outlined above, have the indirect effect of controlling the required speed of production or amount of work to be done per day or per week. Some agreement provisions, however, relate directly to speed of operations and work loads by specifying a maximum limit, forbidding pace setting, requiring that speed of operation shall be negotiated or that a standard be maintained that is not unreasonable to average workmen.

Maximum Limits.

A

No employee will be required to operate or tend more machines during the term of this agreement than he operated at the time it was signed. There will be no increase in the production rate of any machine or assembly line during the term of this agreement.

B

The company agrees that no production practice, machine capacity, conveyor speed, etc., shall be maintained which shall require an employee to produce on an average of more than [number of units] per hour for satisfactory production volume.

Limitation of Output.

Self-imposed limits on production as a protection against "speed-up" may be found in both organized and unorganized plants. This problem, a serious one from the point of view of the employer, is seldom mentioned in agreements. Occasionally, the employer will reserve the right to discharge workers whose production falls below an expected standard. (See ch. 18, p. 139.) A few agreements contain general prohibitions against any limitation of production.

There shall be no restriction placed upon the amount of work performed by any individual or group of individuals, nor shall production be limited in any manner.

Union Participation.

Most unions accept the fact that efficient operation of the plant may require changes in established production standards as well as in methods of operation. They do not prohibit such changes, but ask only that they be allowed to participate in the determination of new and revised standards.

A

Changes in methods of production and work loads shall be made only through collective bargaining between the company and the union.

B

The union shall be notified in advance of changes in the speed of production and work loads.

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Joint Control of Production Speed.

In the automobile industry it has sometimes been the practice, in order to minimize controversy and suspicion in regard to conveyor line speeds, to lock the controls with a union and management representative each retaining a key.

The speed of production conveyors upon which the operations are being performed will be designated in the time study and locked. When the production of a conveyor is interrupted * * * it is agreed that whenever it is practical the speed of such conveyor when it starts up can be increased to such an extent and for such duration of time as mutually agreed on by the foreman and the committee and it shall be locked in that position for the time agreed upon.

Changes Subject to Grievance Negotiation.

In the absence of clauses granting the union the right of advance participation in the adoption of new work loads, it may be assumed that any cases of injustice to the workmen will be appealed through the grievance procedure. Sometimes the union agreement makes special reference to the conditions for taking up this particular type of grievance.

If there is any change in designs, methods, tools, equipment, or order quantities which changes the efficiency of any operations, or if a new operation or a combination of new operations with old operations are brought into the plant, the company will set a standard of production for such operations. Such standards shall be considered temporary for the first 30 days unless otherwise specified by the company. If any employee questions the standard production permanently set on any of the operations referred to in this paragraph, such employee may present the same as a complaint or request under the complaint procedure provided for in this agreement.

Policy of "Fairness."

A different type of clause dealing with production standards outlines the policy the employer will follow in making such adjustments, instead of granting the right of union participation.

A

The company will give thorough and fair consideration to the possibility that increases in speeds of operation may impose undue hardship on employees. In such cases the company will increase forces to properly compensate for this situation. Further, if and when increases in speed are made to such an extent that addition to numbers of employees on any operation is impractical or does not alleviate the situation, then the company will establish either premium systems or other form of increased compensation. The union does not desire to dictate that any certain number of employees will be established in connection with any of the company's operations, or that speeds or production are to be restricted.

B

The policy regarding speed of operations is that time studies shall be made on a basis of fairness and equity, consistent with quality of workmanship, efficiency of operations, and the reasonable working capacities of normal operators.

Determination by Management Alone.

In contrast to the examples just given, some agreements specify that production standards are the prerogative of management without qualification. Presumably any grievances arising over such standards could be appealed through the regular grievance machinery.

It will be the function of the management to specify methods of operations, types of equipment, number of operators, and the rate of production.

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Pace Setting.

A few agreements forbid the practice of pace setting, which unions consider in some instances is used to speed up normal operators to an unreasonable degree.

In order that there may be full cooperation between the company and its employees and in a spirit of complete harmony to maintain the standards set, the company will not encourage and will actively discourage any races between exceptional employees to increase production to a stage known as pace setting, whether among individual employees or separate shifts, and the international and the local will not encourage and will actively discourage any inefficiency and stalling of the job by the employees of the company.

Size of Crew

Some machinery and conveyor belts operate at fixed speeds and require a group of workmen to operate them. Unions have frequently contended that a speed-up has been instituted and employees' welfare endangered through having an insufficient number of workers attending such operations. Union agreements, therefore, sometimes stipulate the minimum crew complement required for various operations covered by the agreement. These provisions frequently are detailed and apply only to a specific industry or trade. Other agreements assure the union the right to negotiate concerning the size of the crew.

A

The number of men required to operate [name of machine] shall be as follows: (*a*) for two sections, — journeymen and — apprentices; (*b*) for three sections, — journeymen and — apprentices; (*c*) for four sections, — journeymen and — apprentices; (*d*) for five sections, — journeymen and — apprentices. Exclusive of foreman and assistant foreman.

B

Where a power grindstone is provided, 13 cutters shall constitute a sharpener's gang. Where a power grindstone is not provided, 10 cutters shall constitute a gang. One driller using a pneumatic driller to count as one cutter, hand driller and apprentice cutters to count as journeymen on a fire. Any shop employing 7 men or the equivalent of 7 men shall employ a tool sharpener. This section shall also apply to job shops.

C

One pressman shall operate two one-color cylinder presses provided they are side by side, or end to end, or without more than two presses intervening. When the presses are not so situated the same press crew shall operate two presses, but not longer than one day * * *. There shall be one feeder or operator to each cylinder press, hand-fed or automatic.

D

If the company and the union cannot agree upon the number of men who shall operate the [name of machine] the matter shall be referred to the grievance procedure.

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Chapter 7

Guaranteed Employment or Annual Wage

In recent years there has been great interest in various methods of increasing the job security of the American wage earner. On the whole, the attempts to solve this problem have taken place outside the scope of the union agreement. A few employers and unions, however, have attempted to meet the problem of security by including annual-wage or guaranteed-employment provisions within the agreements themselves. The explanation of the infrequency of annual-wage and guaranteed-employment plans in American industry today lies in the very problem which such plans are designed to correct. As a rule, the only companies which feel they can guarantee full-time employment or an annual wage a year in advance, are those which have substantially solved the problem of regularizing employment.

Some guaranty plans, after having been adopted, were abandoned when the companies found they were unable to finance them in the face of decreased production. Others were abolished when the unemployment-compensation laws took effect. A number of the guaranteed wage or employment plans now in existence were instituted as part of a management program and not as the result of collective bargaining.

The 2,080-Hour Clause of the Fair Labor Standards Act

The Fair Labor Standards Act grants a partial exemption from the overtime-pay provisions to those companies which guarantee employment on an annual basis under a collective bargaining agreement with a union certified as bona fide by the National Labor Relations Board. Such an agreement must provide that the employees "shall not be employed more than 2,080 hours during any period of 52 consecutive weeks." Companies which meet the requirements of the 2,080-hour clause need not pay time and one-half for overtime until an employee is required to work more than 12 hours a day or 56 hours a week.

An employee will be considered employed on an annual basis if, in the collective-bargaining agreement which covers the term of employment, he is guaranteed either a fixed annual wage, or continuous employment for 52 weeks or employment for 2,080 hours.[1] The agreement by its own terms must set 2,080 hours as the absolute maximum which any employee may work in a year. To date, only a few such agreements have been approved as fulfilling the requirements of the act. (This annual-wage clause should be distinguished from another clause in the act which allows similar overtime exemp-

[1] U. S. Department of Labor, Wage and Hour Division, Interpretative Bulletin No. 8, November 1940.

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tions when there is in effect an agreement with a union providing for a maximum of 1,000 hours' work in any 26 consecutive weeks. This clause, however, does not require a guarantee of continuous employment or of a fixed wage. (See ch. 11, p. 95.)

A

Each employee will be employed on an annual basis and shall receive the regular weekly rate of pay provided for him in a work schedule established for his department as it may be amended from time to time in pursuance to the procedures established in this agreement. In no case shall any such employee be employed for more than 2,080 hours within the applicable 52-week period.

B

The company agrees to continue to employ the members of the association now presently in the employ of the company during the period covered by this agreement, and guarantees to pay each journeyman printer for said period an annual wage of not less than $3,380. The company agrees that each of said members of the association in the employ of the company throughout the period covered by this contract shall, subject to and in accordance with the provisions of this contract, work not more than 2,080 hours during the period of 52 consecutive weeks covered by this contract.

Other Guaranteed-Employment Plans

A few agreements, usually with small companies, guarantee a specified number of weeks' work each year to all regular employees. Others restrict the guaranty by limiting either the number of employees covered or the amount which the employer is to spend in carrying out the guaranty, or by establishing conditions the occurrence of which will relieve the employer from the performance of the guaranty. For example, it may be provided that the employer may lay off employees if his volume of business drops below a certain amount, or decreases by a certain percentage. Some guaranteed-employment plans start out with a limited coverage, and extend the benefits of the plan to additional employees as the volume of business expands.

A

The employer guarantees to furnish — weeks of employment in each calendar year to all regular employees at their regular rates of pay.

B

The employer shall employ the employees in the schedule herewith attached and made part of this contract for a period of 45 full weeks during the year, and that the remaining 6 weeks, he will employ them on a part-time basis 3 days a week, and that 1 week, namely between Christmas and New Year's, he shall have the right to close the factory for the purpose of taking inventory.

It is further agreed and understood and by virtue of the above guarantee, that the employer has an unqualified right to transfer any employee or employees from any department that they are originally working in, to any other department where there is a greater abundance of work. This, in order to effect better the above guarantee and to be able to shift employees from departments where there is little or no work to departments where there is more work. No employee shall have the right to refuse such transfer.

C

All employees, who have a service record of 1 year or more shall, as of [date], and during their continuance on the pay roll, receive an annual minimum on a weekly basis of not less than $—— per week throughout the period of this agree-

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ment: *Provided, however*, That in the application of the annual minimum the cost to the employer shall not exceed $—— a year. This amount shall be applied during the period when the workers ordinarily earn less than the minimum cited above.

Guaranties Dependent Upon Volume of Business.

Especially in long-term agreements, leeway is sometimes provided for the employer to reduce his staff if there is a considerable decline in business. In the case of expanding business, provision may be made for an extension in the coverage of guaranteed employment:

A

It is agreed that starting [date] 60 percent of all inside employees shall be granted 40 hours' work per week, and that when the weekly volume reaches $—— that 70 percent of said employees shall be guaranteed 40 hours per week, and that with each subsequent increase of $—— per week in the weekly volume, a further increase shall be automatically effective of 10 percent in the number of employees to be guaranteed a full 40 hours' employment, until a maximum of 90 percent in such guarantee has been reached.

B

The employer agrees to provide all of the present regular employees who are members of the union, a list of which employees is hereto attached and made a part of this agreement, with 46 weeks' work plus 2 weeks' vacation in each year for the life of this agreement. It being the intent and practice of the employer to provide all regular employees with full-time work.

This agreement shall be in full force and effect for a period of 5 years from the date hereof: *Provided, however*, That during the last 4 years of this agreement if the volume of deliveries decreases in excess of 10 percent, the employer shall have the right to lay off regular men, a list of which is attached and made part of this agreement, in proportion to the percentage of decrease in volume in excess of 10 percent. It being the understanding and intent of the parties hereto that if the volume of business decreases 10 percent or less, the employer may reduce the extra force to whatever extent it deems necessary.

Modified Guaranty Plan.

One type of plan does not guarantee employment to all employees, but requires the payment of a specified proportion of full-time wages to any employees working at the expiration of the agreement. Similarly, any employee laid off before the agreement expires is to receive the guaranty up to the time of his lay-off.

If, at the end of the term of this agreement or at the termination of any regular employees' employment (and not by the voluntary act of the employee), the employee shall not have worked and received pay for an average of 34 hours per week for the period from [date] to [date], the company agrees to pay such employee the amount that he would have received had he been employed on an average of 34 hours per week during this period. To the extent that any employee receives additional pay for overtime or holiday work, the company shall receive credit on the work guaranty for the extra compensation so received as if the said employee had worked the additional time at the regular wage scale. Nothing herein contained shall constitute a guaranty by the company that any regular employee will receive continuous employment during the term of this contract or a guaranty by the company that it will retain any specific number of employees at any particular time.

Plan for 52 Pay Checks per Year.

Another variation is the plan in an agreement between a midwestern shoe company and its unaffiliated union, which does not guarantee a specified wage, but provides for 52 pay checks a year. All class A

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employees (equaling about 90 percent of the total) are guaranteed 40 hours' pay for each week during the term of the agreement. The pay is drawn from a fund equal to a specified percentage of the wholesale value of shoes produced while the agreement is in effect. If at any time the fund shows a surplus over a specified reserve, the company and union may order such surplus to be distributed pro rata as additional income. If the fund is depleted, however, the weekly pay will be reduced.

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Chapter 8

Dismissal Compensation

Dismissal compensation is payment by the employer of a sum of money to an employee who is permanently and involuntarily laid off through no fault of his own.

Although dismissal compensation is designed to ease the burden resulting from unemployment, it is basically different from unemployment compensation or unemployment insurance. The latter is usually financed from a joint fund; dismissal compensation is financed solely by the employer. Unemployment compensation provides weekly (or biweekly or monthly) payments for the duration of unemployment or for the maximum number of weeks specified in the particular plan. Dismissal compensation is usually a lump sum payment, which is based on the length of service of the employee, and takes no account of the actual time lost before a new job is found.

Most important is the fact that unemployment compensation makes no distinction between permanent or temporary lay-offs. Although benefits may be paid for only a limited period, they are paid only during actual unemployment, and regardless of whether the recipient retains his rights to his job and expects to return as soon as there is work, or whether he has been dismissed finally. Dismissal compensation, on the other hand, indemnifies the employee for final loss of his job; it connotes a complete severance of the employment relationship with no hold-over of seniority or other rights and obligations.

Dismissal compensation has not been a common practice in American industry. When it has been adopted, it has most frequently been applied to lay-offs due to technological improvements or retrenchments due to consolidations. When thus applied, dismissal compensation may be considered as a payment by the employer for the privilege of reducing his staff. As such it serves as a deterrent, for the employer must weigh the cost of dismissal pay against the economies which may result from reduction in staff.

Although dismissal-pay provisions are included in a number of agreements scattered in various industries, they are prevalent in the agreements of only one union—the American Newspaper Guild. The general extent of such provisions in the newspaper field may be due to the fact that in recent years there have been a number of consolidations and retrenchments accompanied by widespread lay-offs. Other unions have negotiated dismissal-pay clauses in their agreements to meet special circumstances. The so-called "Washington Agreement" of 1936 between railroad employers and 21 standard railway unions, covering conditions under which dismissed employees should be indemnified in pending consolidations of railroad facilities, is an outstanding example.

Choice of Dismissal Wage or Furlough

The introduction of important technological innovations is often accompanied by reductions in personnel, and has occasioned special

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dismissal-compensation agreements. Dismissal-wage plans covering situations where technological changes necessitate curtailment of force, usually permit employees who are laid off the privilege of accepting either furlough or dismissal pay or transfer to another plant of the company. Furloughed employees retain reemployment rights and are given preference according to their seniority in recall to work. Dismissed employees are given dismissal compensation and lose all reemployment rights. Employees who are furloughed may at any time have their name taken off the reemployment list by accepting dismissal compensation. Such employees, if they are rehired, enter the services of the employer as new employees.

Any employee classified as a permanent employee shall be considered displaced by a technological change when his or her services shall no longer be required as a result of a change in plant or equipment, or a change in a process or method of operation, diminishing the total number of employees required to operate the department in which he or she is employed. The term shall not include lay-offs caused by changes, business conditions, variations in customers' requirements, shut-downs for plant repairs, or other temporary or seasonal interruptions of work * * *.

All employees heretofore displaced by reason of such technological changes and now on the preferential hiring list shall be removed therefrom and shall be immediately paid dismissal wages in accordance with the foregoing formula.

Within 60 days after dismissal, hereafter, a technologically displaced employee shall elect to be placed upon the plant's reemployment list in lieu of accepting a dismissal wage. Such election shall be final and be made in writing. The failure of a displaced employee to deliver such written election to the company within the aforementioned period of 60 days shall constitute an acceptance of the dismissal wage, which dismissal wage shall thereupon be promptly paid by the company to such employee * * *.

Notices shall be posted in the department affected by an impending displacement, inviting such employees as may desire to surrender their seniority rights and rights to recall, in exchange for dismissal wages, and to so advise the head of that department of such decision. For each senior employee displaced and so applying the company will retain a junior employee who would otherwise have been displaced by the proposed technological change.

Should an employee displaced by a technological change accept a dismissal wage and thereafter be reemployed by the company, he shall accept such reemployment as a new employee, without seniority credit for previous service * * *.

Unemployment Compensation Deducted from Dismissal Pay

Under a few agreements, dismissal pay is designed to supplement governmental unemployment compensation. The allowance for a specified number of years' service is given in full but from allowances earned through additional years' service are deducted any unemployment compensation which is received. Under the following plan, however, dismissal pay is not affected by acceptance of another job.

No restrictions shall be placed upon the exercise of managerial decisions with reference to economies and retrenchments even though they should result in the lay-off and/or dismissal of employees. Nothing herein shall prevent the adoption of ordinary economies in the usual course of business.

In the event that such action is deemed by the company to be necessary, it shall discuss the proposed retrenchment and economy program fully with a committee of the union, and arrange for an optional dismissal payment for such employees as may desire to terminate their seniority rights and connection with the company. Such payments shall in no wise be wages or compensation for any services thereafter to be rendered to the company and shall be paid

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in full at the time of dismissal. The amount of payment shall be computed in the following manner:

(*a*) If the employee has been employed by the company for 3 or less years, he shall be entitled to an amount equal to 1 week's pay for each year of continuous service with the company.

(*b*) If the employee has been continuously employed for more years than 3, he shall be entitled as in (*a*) hereinbefore, and in addition thereto, to an amount equal to 1 week's pay for each year of continuous employment with the company in excess of 3 years and up to 10 years (which shall be the maximum number of years for any determination of dismissal payment hereunder).

(*c*) From any computation under (*b*) hereof there shall be deducted an amount equal to the weekly payment to which the employee might become entitled were he presently eligible to receive weekly payment under the unemployment compensation law of Ohio, multiplied by the number of years of his service less 3 years, which multiple shall in no event exceed 7.

It is the purpose and intent hereof that an employee exercising his dismissal option shall receive an amount equal to 1 week's pay for each year of continuous service with the company up to a maximum of 10 years, diminished by any benefits which it would be possible for the employee to receive under the unemployment compensation law of Ohio, assuming he were to remain unemployed for a maximum period of 10 weeks, and that the use of weekly wage schedules and periods of employment are for purposes of computation only, and that any intention that payments hereunder are for wages or compensation for services after the dismissal, is mutually disclaimed.

Any employee who accepts said dismissal payment shall lose all seniority and cease to be in any way connected with the company; but no employee shall be required to accept said dismissal payment and may elect to retain his seniority and opportunity to be rehired in accordance with other articles hereof.

Fund Specified

In the absence of any specific provision for the establishment of a fund from which dismissal compensation is to be made, it is assumed that payments are met just as other operating expenses. In order to assure adequate funds to cover all necessary payments, some agreements specify the amount of money which shall be set aside for dismissal compensation purposes.

The employer will pay separation allowances to employees displaced by technological changes upon the following terms and conditions.

Any employee shall be considered displaced by technological change when his job is discontinued because of (*a*) changes in plant or equipment or (*b*) changes in process operations either of which causes the particular job to be permanently abolished.

Displacement by technological changes shall not mean or include any jobs temporarily discontinued because of trade conditions such as lack of demand for any of the products the employer may have been at any time manufacturing. That is, abolition or discontinuance of a job due to technological change shall not be confused with furloughs brought about in normal manner because production of any kind or variety of any product by any department or section of the plant is not required by the employer at the time for the purpose of sale, use, or inventory.

Should displacements be made because of change in plant or equipment or process operations in any department or section, a worker so displaced shall be given the option for 3 days of becoming a displaced employee with the benefits provided under the terms of this agreement or being transferred according to seniority to the furlough list. The list then as standing for the whole year previous shall be scrutinized and the same number of employees on the bottom of such list as the number which were transferred to that list through displacement shall be dealt with as displaced employees under the terms of this agreement.

All displacements shall be in accordance with seniority.

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In the case of discontinuance of jobs by reason of technological changes as defined above, the employer will make the following provisions for employees so affected:

It will establish a fund in a total not exceeding $250,000. This fund will be set up by allocating not more than 2 percent of the company's net profit for any year. In years in which there is a total of $250,000 in the fund, no percentage of profits will be allocated to it but in years in which the fund does not reach or falls below $250,000, said total amount shall be restored in the following year by allocation of 2 percent of the profits for that year until it again reaches a total of $250,000. Should the company decide to make changes involving separation allowances in a total amount greater than the amount in the fund at the time, it shall supply the additional amounts from other funds of the company.

If an employee displaced by technological change chooses to take separation allowance and thereafter is reemployed at another job by the employer, he shall be reemployed as a new employee without credit for previous seniority or service.

Separation allowance will be paid from the funds above mentioned or other funds of the company to employees displaced by technological changes as follows:

Service	Pay
2 but less than 3 years' service	2 weeks' pay
3 but less than 4 years' service	3 weeks' pay
4 but less than 5 years' service	4 weeks' pay
5 but less than 6 years' service	5 weeks' pay
6 but less than 7 years' service	6 weeks' pay
7 but less than 8 years' service	7 weeks' pay
8 but less than 9 years' service	8 weeks' pay
9 but less than 10 years' service	9 weeks' pay
10 but less than 11 years' service	10 weeks' pay
11 but less than 12 years' service	11 weeks' pay
12 but less than 13 years' service	12 weeks' pay
13 but less than 14 years' service	13 weeks' pay
14 but less than 15 years' service	14 weeks' pay
All service of 15 years or more	15 weeks' pay

Separation allowance shall be due and payable to the displaced worker immediately upon separation, or, if furloughed employees, upon notice of separation.

Reemployment After Receiving Dismissal Pay

Under the following clause employees who are reemployed after receiving "lay-off allowance" may be required to repay a part of their allowance if the number of weeks on lay-off is less than the number of weeks upon which the allowance is based.

In case of all regular full-time employees laid off, payment of 1 week's pay for each completed year of net credited service up to 7 years inclusive, 2 weeks' pay for each completed year of net credited service from 8 years to 14 years inclusive, and 3 weeks' pay for each completed year of net credited service beyond 14 years, plus any vacation payment to which he may be eligible, shall be made subject to the following limitations:

(*a*) An employee reengaged and again laid off after having former service accredited shall be paid the difference between the amount computed as above and any previous payment he may have received due to a previous lay-off.

(*b*) If an employee who has received a lay-off allowance is rehired and the number of weeks since the date of his lay-off is less than the number of weeks upon which the allowance is based, less vacation if any, the amount paid to the employee for the excess number of weeks shall be considered as an advance to him by the employer and repayment shall be through pay-roll deductions at the rate of 10 percent of the basic weekly wage until the amount is fully paid.

Dismissal-Pay Clause with Retirement Features

Instead of lump-sum payment to employees who retire after years of service, the employer may substitute a "mutually satisfac-

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tory" monthly pension rate. Under the following clause employees who are dismissed before attaining 25 years of service receive regular dismissal pay. In the event of the death of an employee, severance pay will be paid to his beneficiary.

Upon dismissal or upon voluntary retirement because of old age or illness after 25 years' service, an employee shall receive a cash severance payment in a lump sum equal to the amount of 2 weeks' pay for each year, or major fraction thereof, of service for the publisher, to a maximum of 24 weeks' pay. By mutual agreement between the publisher and the employee, the publisher, instead of giving severance pay, may place that employee on a retired list at a mutually satisfactory monthly pension rate.

Such pay shall be calculated at the highest regular weekly wage received by the employee during the last year of his service with the publisher.

If any employee is discharged for gross neglect of duty or gross misconduct while on duty, not provoked by the management, he shall receive no severance pay.

In the event of the death of an employee, the publisher shall pay to his beneficiary, designated by the employee in writing in advance, or to his executor or administrator, an amount equal to the amount of severance pay to which the employee would have been entitled upon dismissal, less any amount received from company group insurance.

A Newspaper Guild Plan

Typical of many Newspaper Guild agreements is the following clause which contains a schedule showing the amount of pay received by employees who are discharged after specified years of service.

(*a*) Any employee whose employment is terminated by the publisher, or by death, shall be paid, upon such termination of his employment, severance pay in a lump sum. Where, however, the publisher has evidence that an employee deliberately provoked his dismissal for the purpose of obtaining severance pay, the publisher may withhold such employee's severance pay and bring to arbitration the question of such employee's right to receive severance pay. Severance pay shall be equal to the employee's weekly salary for the number of weeks stipulated in the following schedule of length of employment:

Length of employment	Severance pay
More than 6 months and less than 1 year	2 weeks
1 year and less than 1½ years	3 weeks
1½ years and less than 2 years	4 weeks
2 years and less than 2½ years	5 weeks
2½ years and less than 3 years	6 weeks
3 years and less than 3½ years	7 weeks
3½ years and less than 4 years	8 weeks
4 years and less than 4½ years	9 weeks
4½ years and less than 5 years	10 weeks
5 years and less than 5½ years	11 weeks
5½ years and less than 6 years	14 weeks
6 years and less than 6½ years	15 weeks
6½ years and less than 7 years	17 weeks
7 years and less than 7½ years	18 weeks
7½ years and less than 8 years	19 weeks
8 years and less than 8½ years	20 weeks
8½ years and less than 9 years	21 weeks
9 years and less than 9½ years	23 weeks
9½ years and less than 10 years	25 weeks
10 years and less than 10½ years	26 weeks
10½ years and more	28 weeks

Provided, however, That the word "employment," as used in the above schedule, shall include total continuous employment on any or all the following publications, to wit: * * * and any other publication in which the publisher * * * may hereafter acquire a controlling interest. *Provided, further*, That the length of service referred to in this article shall be calculated from the date of the beginning of the employee's last continuous service to any

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of the above-designated publications. Absence because of illness or because of leaves granted by the publisher shall not be excluded in computing length of service.

(*b*) The payment required under (*a*) to be made by the publisher upon the death of an employee shall be made with all reasonable promptness to such person as the employee shall have last designated in writing to receive such payment. In case of the employee's failure to designate a person to receive such payment, the payment shall be made to such person or persons as under the decedents' laws of the State of the employee's domicile would be entitled to receive the deceased employee's estate. Such payment shall be subject to the following conditions:

1. There shall be deducted from such payment any amount owing to publisher by such employee at the time of his death.

2. If publisher has, at the request of employee, provided or caused to be provided a written guaranty or guaranties for such employee's indebtedness to others, publisher shall have a lien on such payment to the extent of publisher's liability on such guaranty or guaranties outstanding at the time of such employee's death.

3. In the event of any dispute as to the right of the designated person to receive such payment, the publisher shall have the right to pay the same into court and to interplead the disputants.

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Chapter 9

Vacations

Vacation benefits have been extended, in recent years, to include a majority of the industrial workers. White-collar workers have customarily received vacations for many years. The relatively recent extension of the vacation privilege to industrial workers is due to a number of factors. One is the realization that, in view of the modern tempo of production, failure to provide industrial workers with regular periods of rest and relaxation has a detrimental effect on health and efficiency. Organized labor has also contended that an increasing standard of living for workers should include sufficient leisure time to enjoy the fruits of machine production.

The most common vacation provision in union agreements establishes a 1-week vacation with pay for all regular employees—usually defined as those with a minimum period of service with the company. Two-week vacations are provided in some other agreements and are the prevailing type of vacation in certain industries. For the most part, however, 2-week vacations are limited to employees with a specified length of service above the minimum required for a 1-week vacation. In some instances, employees who have earned a 1-week paid vacation are permitted an additional week at their own expense. In a few instances, vacation provisions shorter than a week are granted to newer employees who have not attained service status for full vacation rights.

Eligibility Requirements

A specified period of service with the company is generally the only requirement that must be met in order to qualify for a paid vacation. In the great majority of union agreements the eligibility period for a week's vacation is established at 1 year. Periods of employment longer than a year are required in some agreements; in a few the minimum qualifying period is as long as 5 years. Since many employees do not work steadily throughout the year, the basis of eligibility is often stated in terms of the minimum number of weeks or hours which must be worked during the year.

A

Each employee with over 12 months' service with the employer will be allowed 1 week's vacation with full pay in each calendar year. Each employee with 3 years' or more service will be allowed 2 weeks' vacation with full pay in each calendar year. Should a holiday fall within the employee's vacation period, the employee will receive an extra day of vacation with pay. Employees with less than 1 year's service but more than 6 months' service will be entitled to pro rata vacation of not less than 3 days.

B

Employees who have been in the service of the employer for a period of 1 year or longer shall receive 1 week's vacation with pay in each calendar year. Employees who take their vacation during a week in which a holiday falls

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shall be given an extra day or the equivalent in pay at the discretion of the employer. Employees are entitled to a second week of vacation, without pay, in each calendar year.

C

All employees who worked in every semimonthly pay period for the 12 months previous to June 15, shall be entitled to a vacation of 1 week. No employee shall forfeit his right to a vacation by reason of nonemployment in any semimonthly pay period due to accidents, sickness, or absence sanctioned by the proper officials.

D

Vacation credit for each employee will accrue at the rate of — hours for each month of employment during the calendar year. Each employee will be allowed a vacation with full pay in each calendar year equal to the credit earned.

E

The company agrees that all employees who have worked — hours or more during the year from ——— to ——— shall between [date] and [date] receive 1 week's vacation with pay at the regular hourly rate.

Conditional Vacation Rights

The benefit of a paid vacation is occasionally made to depend on factors other than an employee's length of service. Generally, this type of condition relates to the financial status of the company. Conditional vacation clauses are infrequent and are to be found chiefly in agreements covering plants which are adopting paid vacations for the first time.

A typical conditional provision grants vacations only if company profits, sales volume, or some other financial criteria reach a specified level. In order to enforce this type of provision unions may insist upon an independent audit of the company's books. Occasionally, vacations are made dependent on the competitive standing of the employer who agrees to grant paid vacations whenever a certain proportion of the industry or when certain named competitors do likewise.

A

It is agreed that in the event the company shall have earned a net profit for the period from [date] to [date], as shown by the company's profit and loss statement for this period, after payment or provision for all dividends upon the preferred stock, and an amount equal to — cents per share upon the common capital stock of the company outstanding as of the beginning of this period, then the following vacation plan shall be effective for the following year: * * *. The union may employ its own auditor to verify the company's profit and loss statement.

B

It is agreed between the parties that if [name of competitor company] gives its employees a vacation with pay, the company will give its employees a vacation with pay on the same terms and conditions.

C

The company favors the principle of annual vacations of 1 week with pay, for each employee. The company expresses a hope that this principle will be accepted and adopted in the ——— industry. If the principle is adopted and put into effect by that time, the company will grant vacations with pay, for each employee, commencing with the summer of 1942.

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Amount of Vacation Pay

The great majority of union agreements which grant paid vacations merely specify that the employee is to receive his regular rate of pay for the vacation period. Vacation pay for salaried workers is generally based on the regular weekly or monthly rate in effect at the time of the vacation. The vacation allowance for hourly workers is arrived at by applying the regular hourly rate to the number of vacation hours granted.

With regard to hourly paid employees working at different rates during the same workweek, some agreements provide that the higher or predominating rate is to be used. Employees temporarily assigned to lower-paid work are thus assured that this lower rate will not be made the basis of their vacation pay. For piece workers, vacation pay is calculated by securing an average of the employee's earnings over a specified period or by granting a specified percentage of the employee's yearly earnings—such as 2 percent for a 1-week vacation and 4 percent for a 2-week period. A flat vacation allowance is sometimes provided for those employees whose earnings are irregular.

The employer is usually required to pay the vacation allowance at some time before the start of the vacation period, thus enabling the employees to plan and finance their vacations more easily.

Pay for Salaried and Time Workers.

A

Each employee shall be granted full pay at his regular rate during his vacation. If an employee has worked at two or more rates during the 6 months preceding his vacation, he shall be paid according to whichever rate is higher. The full amount of vacation pay to which each employee is entitled shall be paid the employee before he starts on his vacation.

B

Each employee shall be granted full pay at his regular rate during his vacation. If an employee has worked at two or more rates during the 6 months preceding his vacation, he shall be paid according to whichever rate predominates.

Pay for Piece Workers.

A

The vacation pay of each employee will be based on a 40-hour week at his or her average hourly earnings, not including overtime, for the preceding 6 weeks but not less than $25 for any employee.

B

Vacation pay shall be computed on the basis of 2½ percent of the employee's total earnings during the 12-month period preceding April 1, exclusive of vacation pay.

C

The vacation pay of each employee will be 2 percent of his earnings during the previous calendar year, not including overtime.

D

Each employee will receive a vacation bonus of $30 at least 8 days in advance of going on vacation.

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E

The amount of vacation pay shall be subject to negotiation 90 days prior to the vacation period.

Intermittent Workers.

Some association agreements provide for the payment of vacation allowances from a central fund, to which each employer makes weekly contributions on the basis of his total pay roll. Under this plan workers who transfer from shop to shop or are seasonally unemployed for short periods still receive their earned vacation credit.

Every employee shall be credited on the first pay day after January 1, and weekly thereafter, with 3 percent of all weekly earnings on account of pay for the said week's vacation: *Provided, however,* That the employer shall not be obligated to so credit and pay such 3 percent on more than 40 weeks' full minimum pay of the craft classification of such workers as set forth in the schedule hereto attached. The amount of accumulated vacation credits for all workers in the shop shall be paid to the union weekly. The moneys due for said vacation shall be enforced in the same manner as if they were unpaid wages.

Vacation Substitutes

Cash payments in lieu of vacations are prohibited in many agreements while, in others, cash substitutes may be provided. For example, in industries where there are extended seasonal lay-offs, agreements may allow vacation pay without explicitly providing for time off. In other cases, the employer may wish to reserve to himself the option of making a cash payment in lieu of a vacation so as to avoid interruption of plant operation. Under some agreements the option of substituting pay for vacations is granted only to the employees.

Pay Substitution Prohibited.

No employee shall be required to accept pay in lieu of his vacation.

Optional With Employee.

In the event the vacation program would hinder the expediting of the national defense program, the employee, if he so elects, may forego his vacation and receive pay in lieu thereof.

Optional With Employer.

A

The company has the option, if necessary, of giving any employee his full vacation pay in lieu of the vacation.

B

In lieu of a vacation with pay the company will pay to each regular hourly rate employee who has at least — years seniority on [date] the sum of — dollars on or before [date].

Vacation Rights in Case of Discharge or Lay-off

Accrued vacation rights are usually lost through resignation, discharge, or failure to report after a recall notice. In many agreements an employee who suffers an extended lay-off because of slack work is excluded from vacation benefits. A leave of absence which extends for a considerable length of time also disqualifies an em-

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ployee from his vacation, although in some cases an exception is made for time lost on account of sickness or injury.

Employees who become separated from employment prior to their vacation period do not always forego all accrued vacation benefits. In some cases, such employees receive full vacation pay but, more frequently, they are granted a proportionate share of their vacation pay in lieu of a vacation.

Vacation Allowed.

A

An employee entitled to receive said vacation allowance shall not be deprived thereof due to subsequent termination of employment for any cause.

B

Employees furloughed or discharged after April 1 in any year and prior to their previously assigned vacation period, shall receive vacation pay as hereinafter specified. Employees discharged or voluntarily terminating their employment prior to April 1 in any year shall not be entitled to vacation pay.

C

In case of an employee discharged for just cause he shall receive one-half the vacation compensation to which he would otherwise have been entitled.

Vacation Disallowed.

A

Any employee who resigns or is discharged for cause will forfeit his accrued vacation and vacation pay.

B

Furloughs in excess of — months during the 12 months preceding May 1 shall disqualify any employee for vacation.

Loss of Vacation Rights

In rare cases the length of the vacation period for individual employees is reduced as a penalty for specified infractions of company rules, such as habitual tardiness or "ringing out" before quitting time. Under a few agreements an otherwise eligible employee may have his vacation rights taken away for failure to meet an established production level. Such vacation restrictions, however, are usually not acceptable to the union and ordinarily indicate a compromise arrangement.

A

Deductions may be made from the annual vacation periods for disciplinary purposes or when unauthorized leave is taken. A deduction considered unfair by the union may be taken up through the regular grievance procedure.

B

The company will grant 1 week's vacation with pay at the standard hourly rate to all employees who have accumulated 52 weeks of employment before the signing of this agreement, providing an average of 110-percent production standard is maintained throughout the plant for the 26 weeks prior to the vacation period. Those production workers who fall below 100-percent production standard shall not be eligible for any vacation benefits.

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Timing of Vacation Period

Most agreements set the general period of time during which vacations may be taken. The most common provision stipulates that vacations are to be taken between specified dates in the summer months. During these months employees are given the choice of a vacation period on the basis of seniority. However, this arrangement is often qualified by permitting the employer to make necessary changes in the interest of efficient plant operation. In industries such as coal mining, which have a time during the year when business is slack, the agreements may provide a complete shut-down of operations for a vacation period. In order that employees may have sufficient time in which to plan their vacations, employers frequently agree to post vacation schedules at the beginning of each season.

A

Each employee will be asked to designate his choice for vacation time and such choices will be allowed insofar as possible. In cases where the employee's choice cannot be allowed, preference will be given to the employees according to seniority. A schedule of vacation time will be posted not later than [specify date] of each year.

B

The company will schedule vacation periods for the employees in accordance with their wishes whenever possible. [Last sentence as in A.]

C

An annual vacation period shall be the rule of the industry. From Saturday, June 28, to Monday, July 7, 1941, inclusive, shall be a vacation period, during which coal production shall cease. Daymen required to work during this period at coke plants and other necessary continuous operations or on emergency or repair work shall have vacations at other agreed periods.

In 1942, the same arrangement shall prevail; the vacation beginning on Saturday, June 27, and continuing until Monday, July 6, inclusive.

D

All vacations must be taken before the end of the year for which granted, and a temporary shut-down for any reason covering a period of 1 week or longer may be designated as the vacation period.

Splitting of Vacation Period.

The splitting of vacation time, so that employees take a day or two off at different intervals, is commonly prohibited. Where more than 1 week's vacation is granted, however, the splitting of vacation time may be permitted to allow employees time off at different seasons of the year.

A

The foregoing vacation shall in the case of a week be taken in a single period but may in the case of 2 weeks be taken in two periods and will, insofar as practicable and subject to the requirements of the company's operations, be granted at the time most desired by the employees.

B

The employer shall not interfere with any employee's taking his full vacation at one time.

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C

Any employee may take his earned vacation not less than one day at a time, subject to the company's approval of each request for such splitting of the vacation period.

Accumulation of Vacation Credit.

The postponement of vacations from year to year in order to accumulate longer vacation periods is sometimes provided in union agreements. Other agreements prohibit the accumulation of vacation credit.

A

An employee may accumulate his earned vacation from year to year, subject to approval by the company.

B

Each employee must take his earned vacation within the calendar year or forfeit his vacation privileges.

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Chapter 10

Hours of Work

Only in exceptional cases do union agreements contain absolute restrictions on the number of hours workers shall be permitted to work. For persons engaged in occupations having a health or safety hazard or when work is scarce and large numbers of union members are unemployed, the agreements may specify rigid restrictions on the number of hours per day or per week any group of workers may be employed.

Usually curtailment of hours is attained in union agreements by limiting the number of hours for which regular rates of pay may apply and requiring overtime or penalty rates for hours in excess of the regular schedule. (See ch. 11.) Under normal conditions, such penalty rates are effective deterrents to lengthening of hours. On the other hand, in periods of emergency longer hours are possible if the employer is able and willing to pay the overtime rates.

Regular Hours

The provision for an 8-hour day, 40-hour week is the most common one found in agreements at the present time. In only a few industries is a shorter workweek the rule. Where agreements specify a longer regular workweek than 40 hours (that is, more than 40 hours without overtime compensation) they are, of course, in industries not covered by the Federal Fair Labor Standards Act. (See p. 95.)

The "day" and "week" in most agreements are the calendar day and week. In continuous-process industries, however, they may be any 24-hour period and any 7 consecutive days. See ch. 12.) In the transportation industries, especially train, street-railway, and bus service, the "workday" is in large measure contingent upon the nature of the "run."[1]

When hours are fixed on a weekly basis, their distribution over the working day is sometimes left to the employer's discretion. However, agreements usually set limits to the number of days over which the hours can be spread—most frequently 5, sometimes 6 or 7—and generally require that they be consecutive. In order to avoid extreme fluctuations in daily employment, almost all of the union agreements specify the normal maximum number of daily hours, as well as weekly hours. In some cases exceptions to the prevailing hours are made for certain occupations, such as watchmen and maintenance men, who frequently work longer hours than the production employees.

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[1] A "day" for train and engine employees consists of a specified number of hours or mileage, whichever is greater depending upon the speed of the train. In road freight service, 100 miles or 8 hours constitutes a day's work. In straightaway passenger service, 150 miles or 7½ hours is the basic day for conductors and trainmen, while 100 miles or 5 hours is the standard day's work for engineers and firemen.

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A

Regular hours of work for all employees are not to exceed 8 hours a day and 40 hours a week, Monday through Friday, inclusive. Thirty minutes shall be allowed for lunch.

B

Regular hours of work for all employees are not to exceed 8 hours a day and 40 hours a week. A day may be a calendar day or any 24-hour period, and a week may be a calendar week or any 5 regular 8-hour turns on consecutive days, including 48 hours of rest period, as designated by the company. It is understood that the hours provisions of this agreement do not prevent the 7-day continuous operation of the plant.

C

Regular hours of work shall not exceed 40 per week. Such work may be spread over any 5 consecutive days at the discretion of the employer. The company will not work employees more than 8 hours in any 1 day except in case of break-down or emergencies. This section is intended only to provide a basis for calculating overtime and shall not be construed as a guarantee of hours of work per day or per week.

Flexible Schedules

In order to permit flexible schedules of operations to meet production requirements, some agreements permit hours to be averaged over a specified period to maintain the normal workweek without the payment of overtime for hours worked above the norm. Flexibility in scheduled hours is secured in some agreements with a normal 36-hour week by providing that weekly hours of work must not exceed 40, while in any 2-week period no more than 72 hours may be worked. Much less frequently, the workweek may be averaged on an annual basis. (See also ch. 7, p. 67.)

Average Clause—2-Week Period.

Regular hours of work for all employees are 6 a day. Employees may be required to work at regular rates of pay up to 8 hours a day and 40 hours a week, provided that hours of work in any 2-week period do not exceed 72.

Average Clause—Yearly Period.

The normal workday is to be 6 hours and the normal workweek is to be 36 hours, but the workday and workweek are to be flexible and depend on the conditions in the department and the work available. Flexible working schedules must not exceed 8 hours in any 1 day nor 40 hours in any 1 week. Reasonable effort will be made to maintain normal working schedules and in no instance will any employee be required to work in excess of 1,800 hours in a calendar year. In extreme emergencies such working hours per employee will be permitted as are required, but an employee will not be permitted because of emergency to work more than 48 hours in any 1 week.

Starting and Finishing Time

Only a few agreements specify the actual times of starting and finishing work. Some agreements simply fix either the time at which the regularly scheduled day may begin or the hour at which it must normally cease. They may, for instance, stipulate that work must begin and end between 8 a. m. and 6 p. m.

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A

A workday is recognized as 8 continuous hours between — a. m. and — p. m. in any given day, excepting an interval of 1 hour for lunch.

B

The regular working day shall begin at — a. m. and end at — p. m. The lunch period shall be from — to — p. m., — minutes.

C

Regular shift hours shall be as follows:
First—8 a. m. to 12 m.; and 12:30 p. m. to 4:30 p. m. Second—4:30 p. m. to 12:30 a. m. Third—12 p. m. to 8 a. m.

Uncompensated Starting and Finishing Periods.

To eliminate operating difficulties which might arise from undue rigidity, some agreements stipulate that the hours of work may be exceeded by a few minutes without extra compensation. Conversely, some restrict the number of extra minutes persons shall be required or allowed to be around the workplace.

A

Two 15-minute grace periods will be allowed per week to complete operations for immediate delivery.

B

At the conclusion of the working day, employees shall complete any urgent, unfinished business without additional compensation, provided the time necessary therefor does not exceed 15 minutes.

C

All customers who may be in the respective departments at the time of store closing shall be waited on and served, and time consumed in completing such sales shall not be figured as part of any overtime work.

D

Employees shall not be required to report at the office or shop earlier than 15 minutes before the regular working hour, and no employee shall remain in the office or shop after starting time unless he is under pay, and, if under pay, he shall be paid for not less than one-half day.

E

Men shall not report to work at shop or job before — a. m. Journeymen shall not start work before — a. m., nor report for same earlier than — minutes before starting time.

Meal Periods

A half hour is the most common duration for mealtime provided in union agreements although some agreements provide for as little as 15 minutes or as long as an hour and a half. Most agreements do not specify the lunch period, leaving this to custom or to grievance negotiation. The overtime rate usually applies whenever employees are required to work through their regular lunch period. Considerable leeway is allowed under some agreements, however, particularly where operations are continuous and where interruptions would produce serious delays or damaged goods. In these instances the lunch period may be postponed until a process is

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completed or until relief can be made available. The postponement is frequently limited by requiring overtime pay for all work in excess of a specified number of hours without a meal period. Agreements covering plants where operations require continuous attention sometimes provide that the employee must eat in free intervals while on the job, but that there shall be no deduction of pay for the time spent in eating. This arrangement is also quite common for night shifts.

A

All employees shall be given a lunch period of — minutes between — p. m. and — p. m. Work performed during the employee's regular lunch period shall be compensated at the overtime rate.

B

All day employees shall have a regularly designated mealtime except in cases of emergency. Any such day employee required to work during the regularly designated mealtime shall be allowed sufficient time to eat his meal between the fourth and sixth hour from starting time. If the full meal period is not allowed, he shall receive pay for such portion of time not allowed at one and one-half times the rate of the classification at which he is then working and shall either leave the job an equivalent amount of time before the end of his normal workday or receive overtime for time worked in excess of 8 hours.

C

No employee shall be required to work more than 4 hours without being given a lunch period of not less than one-half hour, with the exception of employees on straight 8-hour shifts, who shall be allowed a 15-minute lunch period on company time.

When men are required to work more than 4 consecutive hours without an opportunity to eat, they shall be paid time and one-half of the straight or overtime rate, as the case may be, for all time worked in excess of 4 hours without a meal hour.

D

Employees required to work during their lunch period shall be paid straight time for such work and be allowed necessary time to procure lunch without loss of pay at their earliest convenience.

E

Employees will not be required to remain on duty in their department or to perform work during the lunch period unless they are paid for the full period at regular rates.

Rest Periods

Provision for rest periods in agreements is usually limited to women and those men whose jobs are physically oppressive or who cannot leave their posts for short intervals without a substitute. Rest periods usually are taken on company time. For administrative purposes, the Wage and Hour Division considers rest periods of 20 minutes or less to be "short rest periods" which, in its opinion, should be considered hours worked for the purposes of the Fair Labor Standards Act.[1]

A

There shall be a rest period of — minutes on the employer's time at — a. m. and — p. m. for [names of groups of employees].

[1] Opinion of the Wage and Hour Division, issued June 10, 1940.

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B

Reasonable relief periods will be provided for all employees working in occupations or positions where they cannot leave their stations unless relieved by others. A 15-minute rest period will be provided for female employees wherever uninterrupted work exceeds 3 hours.

Clean-up Time

The time required to set up work in the morning and to put away tools and clean up at the end of the day is set forth in some agreements, particularly in the building and metal trades. Usually this activity is carried out on the employer's time. In a few cases, women employees are permitted to quit work 5 or 10 minutes before the men in order to change clothes and to avoid the rush at quitting time.

On Company Time.

A

Employees will be permitted — minutes on company time before lunch and at the end of the workday for cleaning up.

B

Employees engaged in work where tools are taken from department tool rooms shall be allowed sufficient time to return tools or equipment at the end of the shift on company time.

C

All female employees will be allowed to stop work and leave the department — minutes before quitting time of each work period.

On Employee's Time.

Some agreements, however, specify that certain activities—such as getting tools ready, laying out stock for sale—are not to be considered as part of the day's labor.

Employees are required to spend not more than — minutes before starting work in the morning and at the end of the workday to [arrange counters, get out work materials, etc.].

Meetings Called by Employer

In industries where the union has objected to the practice of calling educational and safety meetings outside of working hours, many of the agreements specify that such meetings must be held on company time. A few explicitly permit meetings after working hours on the employees' time with some regulation of the permissible extent of such meetings. These restrictions are usually intended to confine the employer to calling no more than one or two hourly meetings a month, so as to avoid lengthening of the workday without additional pay. Meetings on Sundays and holidays or on union meeting nights are usually prohibited, either by the terms of the agreement itself or by informed understanding.

A

If compulsory sales or educational meetings are called by the employer, they shall be on the employer's time.

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B

No employee covered by this agreement shall be required to at end in excess of two service or service-instruction meetings per month outside of the regular working hours. Should the employer hold meetings more often than twice per month and require the attendance of employees thereat, such additional meetings will be paid for at overtime rates. Should meetings be held outside the territory or jurisdiction of the union and attendance thereat be required by the employer, then the employees covered by this agreement shall be paid straight time and traveling expenses to and from the place of such meetings. No meetings of any kind at which employees covered by this agreement will be required to be in attendance will be called by the employer on the regular meeting nights of the union.

C

Not more than — minutes per [week, month] may be required by the employer for meetings on the employee's time.

Making Up Lost Time

Some agreements specifically prohibit the making up of lost time except at the overtime rates; others allow making up time lost for personal reasons but not for time lost because of machinery or power break-downs, weather conditions, or other circumstances outside the worker's control. When workers are paid for such time lost, no make-up is permitted. (See Waiting Time, p. 39.) Make-up is ordinarily permitted, however, when time is lost because of personal illness or illness in the family, attendance at a funeral, or other similar causes. (For make-up of time lost due to holidays, see p. 108.)

Make-Up for Personal Absences.

A

In the event any employee is caused to lose time from his job because of circumstances beyond his control, such as the death of or the sickness of a member of his family, or by reason of attendance at a funeral, or personal illness (not exceeding 3 days) said employee will be permitted to make up the time lost by working on his regular days off at straight time, i. e., at his regular rate of pay, providing such work, in the opinion of company, is available in his classification without the lay-off or demotion of a man of equal or higher classification: *And provided further*, That the company's determination that no such work is available shall never be the subject of a grievance under this agreement.

B

By mutual agreement between the grievance committee and local management, employees who fail to complete the average hours worked in the department in which they are employed up to 40 hours in the 5 workdays within the workweek, may be permitted, if work is available in the department in which they are regularly employed, to make up time lost on the sixth or seventh day within the workweek up to a maximum of 40 hours at their regular rates of pay without the payment of overtime.

Make-Up for Production Purposes.

A

In the event a plant operates on Saturday because of break-down of equipment, shortages of material, or other interruptions during the week beyond the control of the local management, time and one-half will be paid only for the hours worked in excess of 40 hours in that week, except if the Saturday follows an above-specified legal holiday, when the rule for overtime on such Saturdays shall apply.

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B

Due to conditions beyond the control of the company, or in the event of a break-down affecting the entire plant, or a majority of the operations of the plant, or the majority of the operations of a particular department within the plant, and in case of any of the foregoing happenings, should the management decide that it is necessary to operate on Saturday in any week to maintain production schedules, time and one-half will be paid only for the hours worked in excess of 40 hours in that week. The management agrees to consult with the bargaining committee and to explain the situations making Saturday work under this paragraph necessary at the regular rates of pay.

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Chapter 11

Overtime

Almost every union agreement includes provisions governing overtime work. In the vast majority of agreements overtime rates are paid for any work in excess of the daily hours, and in excess of the established hours per week although both daily and weekly overtime is not paid for the same overtime hours worked. In industries where work is not regularly scheduled over the week end, most agreements, in order to protect the standard week, also provide penalty rates for Saturday and Sunday work as well as for holidays. Sometimes the penalty rates do not apply to work performed on Saturday morning if such work does not fall outside the maximum weekly hours. (See also, pp. 89 and 105. For penalty rates during war emergency, see p. 106.)

Overtime Rates

The most common overtime rate is time and a half the regular rate, although some agreements require double time. Other overtime rates found in agreements vary from slightly over the regular scale to triple time. In some instances a graduated scale is provided; for example, time and a half for a specified number of hours of overtime and double time thereafter. A comparatively small number of agreements establish specific monetary rates for overtime. Double time is occasionally provided if overtime work is to be performed after a certain hour of the day, usually midnight.

A

All work performed outside the regular hours of work will be paid for at the rate of 1½ times the regular hourly pay for the first — hours of overtime worked in any one day and for the first — hours of overtime in any week and at the rate of 2 times the regular hourly pay thereafter. Double time will also be paid for any work required on holidays.

B

Work performed outside the regular hours of work will be paid for at the rate of 1½ times the regular hourly pay: *Provided, however*, That overtime work after 9 p. m. will be paid for at the rate of 2 times the regular hourly pay.

C

All work performed outside the regular hours of work will be paid for at the rate of 1½ times the regular hourly pay.

Overtime payment shall be made on the basis of either daily or weekly overtime hours worked, but an employee shall not be paid both daily and weekly overtime for the same overtime hours worked.

Restrictions on Overtime

A relatively small number of agreements restrict or prohibit overtime altogether. Most rely upon penalty rates to discourage unnecessary overtime and to reward workers for the additional fatigue and

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inconvenience resulting from long hours. When restrictions exist, they are usually in response to depressed business situations or erratic seasonality, and are a means to spread available work among a greater number of persons or over a greater number of weeks.

In some agreements, overtime is prohibited so long as there are unemployed union members available. In unions which organize the workers in a given trade into a city-wide local, overtime is sometimes prohibited as long as any member of the local union—regardless of his previous place of employment—is unemployed. In other agreements overtime may be prohibited only when former employees of a department or plant are unemployed. Another type of provision prohibits overtime until plant facilities are being utilized full time. After such a point has been reached, some agreements place a further limitation by restricting overtime work to a stated period—the peak season—or to a period which must be agreed upon in advance of the season by the union and employer. Other agreements allow overtime only in cases of emergency such as "to protect life and property," without placing any definite limit on the number of hours that may be worked.

A

There will be no overtime worked during the life of this agreement so long as any former employee of the employer has been laid off and has not been offered reemployment.

B

No overtime work may be permitted unless all workers are employed full time and unless all available machines and benches are occupied, except where there are no additional workers available or by special permission of the union.

C

There will be no overtime worked during the life of this agreement except during the peak season. The peak season will be confined to the period between [date] and [date].

D

Overtime will be permitted during peak periods, but such periods shall not exceed — weeks in any 6 months.

Overtime Limited.

Some of the agreements restrict the amount of overtime that may be worked to a specified number of hours per day or per week. The amount permitted is usually so small as to amount to a virtual prohibition. The effect is to cause the hiring of additional employees rather than working present employees overtime. Other agreements prohibit overtime work after certain hours.

A

No employee will be required to work more than — hours overtime in any 1 day or more than — hours overtime in any week.

B

No employee will be required to work overtime after — p. m. or before — a. m.

Union Authorization.

In addition to specific limitations, many agreements require that an employer must obtain the permission of the union before overtime

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may be worked. These provisions give the union an opportunity to protest against overtime as being unnecessary or to arrange for hiring of unemployed union members instead. This type of provision is most frequently used to control overtime work on Saturdays, Sundays, and holidays.

A

Before the employer may require any employee to work overtime, permission must be secured from the union.

B

Overtime work before the beginning of the day's work or after the end of the day's work, and all work performed on Saturdays, Sundays, and legal holidays shall be paid for at the rate of double time. A permit shall be obtained from the officers of the local union when members are required to work on Saturdays, Sundays, and legal holidays.

Employee Option.

Some agreements make the working of overtime optional with the employee. Under others, a worker may not be compelled to work overtime on Sundays or holidays. Such agreements generally require that an employee must not be discriminated against for refusing to work overtime.

A

All overtime work will be on a voluntary basis and the employer may not require any employee to work overtime against his wishes.

B

Employees may have the right to refuse to work overtime, provided they have a reasonable excuse, and this refusal shall in no way jeopardize their jobs.

C

No employee may be compelled to work overtime on Sundays or holidays against his wishes.

Advance Notification of Overtime.

In some cases the employer, while reserving the right to decide what overtime is necessary, agrees to notify the union in advance of the time to be worked. This allows the union time to discuss the situation with the employer if it feels that overtime is unjustifed. More commonly, the employer agrees to notify the employees in advance, through a bulletin-board statement or otherwise, of overtime to be worked, thus giving them sufficient time to arrange their personal affairs.

A

Before requiring any employee to work overtime, the employer must notify the union at least — hours in advance.

B

Notice of required overtime will be posted on the bulletin board at least — hours in advance of overtime period.

Equal Distribution of Overtime

A fairly common provision requires the rotation or the division of overtime work as equally as possible among the eligible employees.

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A

Overtime work will be equally distributed among all employees.

B

Overtime in the various departments shall be equally divided among the employees of their respective departments insofar as it is practical to do so. The overtime record shall be available for inspection at the request of the union at any time.

C

Overtime is to be spread out as equally as possible throughout each department. A differential of not exceeding — hours overtime between the employee having the lowest number of overtime hours and the employee having the highest number of overtime hours in a department shall be adhered to, this to be balanced every — months. The pay-roll department shall compile a report of such overtime hours, which shall be posted on the bulletin board monthly.

Cancelation of Overtime

Most agreements provide that all overtime is to be paid for and not equalized by the granting of compensatory time off. However, in a few agreements, at the employer's option, overtime may be either paid for in cash or canceled by time off during the employee's regular scheduled working hours. In some instances, the time off is cumulative and may be added to the employee's vacation period. The time off is usually the equivalent of the overtime worked, but in a few agreements one-and-a-half times the hours worked is granted in time off.

Optional Time Off.

A

All overtime work will be paid for on the next regular pay day. No employee will be required to take time off to cancel overtime worked.

B

The employer shall compensate for overtime at the rate of time and one-half in either time off or cash. If compensation is in time off, it shall be given in periods of not less than 8 hours, and within 3 months of its accrual at the mutual convenience of the management and employee. Overtime accumulated during the 3 months preceding an employee's vacation may be added to his vacation. The employer shall cause a record of all overtime to be kept. If an employee has not taken his accumulated overtime at the termination of his employment, he shall be compensated in cash in a lump sum.

C

All overtime work shall be paid either in cash at the overtime rate, or, at the option of the employer, in the form of an equivalent amount of free time (with pay) for employees earning — per week or more, and an equivalent of free time and a half (with pay) for employes earning less than — per week. Such free time shall be cumulative at the desire of the employees, and available to such employee during slack seasons or added to the employee's regular vacation period.

Time off for overtime shall not be cumulative beyond 1 year from date when such overtime was done.

Time Off Required.

Although most unions prefer to require that overtime work be paid for at the penalty rate, some agreements—particularly those in newspaper printing—in order to divide available work and spread employment, require their members to cancel overtime by taking equivalent time off later and employing unemployed members as substitutes.

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If an employee is required to work overtime, he must take off within the following — days the equivalent of the hours of overtime worked.

Minimum Overtime Pay

In order to discourage the frequent requirement of small amounts of overtime, some agreements require that at least a specified amount of overtime must be paid for whenever any overtime work is required.

A

Employees forced to work overtime shall receive a minimum of — hours at the overtime rate.

B

If, in any particular case, the overtime worked amounts to less than — hours, the employee shall be paid overtime for the full — hours.

C

Where overtime is less than 1 hour, overtime for 1 full hour shall be paid. Where overtime work exceeds 1 hour the overtime work performed shall be paid for in half-hour periods and fractional part of such period shall count as one-half hour.

Recall for Overtime Work.

An employee who has left the plant and is then recalled for overtime duty is guaranteed, according to some agreements, either a minimum amount in addition to overtime for all hours worked or not less than a specified number of hours of overtime pay. (See also p. 39, Minimum Call Pay.)

A

If an employee has left the plant and is called back for overtime work, he will be paid $1 plus the overtime rate for all time worked.

B

If an employee has left the plant and is called back for overtime work, he will be guaranteed a minimum of — hours' pay at the regular overtime rate.

Seasonal Tolerance

Some agreements allow additional hours of work at straight pay during peak periods of production. Such overtime work usually is limited, however, to a specified number of hours a week for a given number of weeks during the year. Under some agreements the overtime rate ordinarily required for work on Saturday is waived for not to exceed a given number of weeks during the year if production necessitates.

Any such waiving of overtime restrictions in industries covered by the Fair Labor Standards Act must, of course, not go beyond the provisions in the act. If regular hours provided in the agreement are less than the 40-hour maximum in the act, overtime rates could be waived to that point. A few agreements have incorporated clauses which comply with the so-called "1,000-hour" provision of the act which permits work up to 12 hours a day and 56 hours a week without overtime penalty payment where a union agreement provides a maximum of 1,000 hours' work in 26 weeks or employment on an annual basis. (See p. 67 for discussion of 2,080-hour clause.)

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The Fair Labor Standards Act itself allows tolerances in certain seasonal industries. In industries designated by the Administrator as seasonal, workers may be employed up to 12 hours a day and 56 hours a week for a period of not more than 14 weeks in any calendar year. In addition, the first processing, canning, or packing of perishable or seasonal fresh fruits or vegetables, the handling, slaughtering, or dressing of livestock or poultry, and the first processing within the area of production, as that term is defined by the Administrator, of any agricultural or horticultural commodity during seasonal operations are completely exempt from the overtime requirements of the act during 14 weeks of the year. Also exempt from the overtime provisions throughout the year are the "first processing" of milk into dairy products, the processing of sugar beets, sugarcane, or maple sap into raw sugar or sirup, the ginning and compressing of cotton, and the processing of cottonseed.[1]

A

To allow for expanded production during peak seasons, employees may work not more than — additional hours per day nor — additional hours per week at regular rates of pay. Such seasonal tolerance will be limited to — consecutive weeks during the months of [specify].

B

It is agreed that during peak production periods the company may work its production employees 40 hours per week, during a period not to exceed 12 weeks, without being required to pay overtime rates on work in excess of 35 hours. The weeks do not need to be consecutive. However, 35 hours, from Monday to Friday inclusive, must be worked before the plant is allowed to work the extra 5 hours on Saturday at straight time.

One-Thousand-Hour Clause.

The following is an example of a "1,000-hour clause" under the Fair Labor Standards Act:

No worker shall be employed for more than 1,000 hours during any period of 26 consecutive weeks. Overtime work in excess of 40 hours per week shall be paid to the workers at the rate of their regular hourly or piece-work rates: *Provided, however,* That should said workers work in excess of 12 hours a day or 56 hours a week, said workers shall be paid at the rate of one and one-half times the regular rates of their hours of work in excess of 12 hours a day or 56 hours a week.

Meals

An allowance to cover the expenses of meals taken during overtime, or to compensate for the loss of the employee's regular meal at home, is specified in a few agreements. The company is obliged, by the terms of these agreements, either to furnish a meal at company expense or to compensate the employee for the cost of such meal, if overtime work exceeds a given number of hours.

Employees required to work more than — hours overtime in 1 day will be furnished a meal at company expense, or, in lieu thereof, an additional payment of — cents to cover the cost of such meal.

[1] U. S. Department of Labor, Wage and Hour Division, Interpretative Bulletin No. 14, August 1939.

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Chapter 12

Shift Operations

The question of night work arises in many industries and trades. In those industries which directly serve the public, working schedules necessarily must be related to the prevailing consumer habits. Places of entertainment, for instance, must be open during the evening. Union agreements for retail trade and for barber shops usually prescribe the hours when the establishment is to be open for business, as well as the actual hours of work for individual employees. Restaurants may work two or even three shifts, or may maintain one shift with broken schedules to care for rush periods. In the case of utilities and city passenger transportation, a minimum force is maintained on a 24-hour basis, with addition of workers during certain well-defined peak periods.

In manufacturing and mining, the question of shift operations has little direct relation to consumer habits but depends more upon the plans for utilization of production facilities. Some types of industrial processes necessitate continuous operations, not only throughout the day but from week to week. More often, however, the addition of night shifts is a question of lowering production costs or increasing the total amount of production to meet an emergency need. In an industry such as clothing, where plant equipment and initial investment are a relatively low, and the wage bill a relatively high proportion of the cost of production, the impetus toward night work is less than in industries using complicated machinery which is very costly and difficult to obtain.

Two- and three-shift operations are far more likely to be put into effect in times of heightened industrial activity than in periods of depression. Some plants operate for a few months of the year on a 2- or 3-shift basis, tapering off to a period of virtual or complete shut-down. Industries which have experienced a chronic problem of overproduction may attempt, through the union agreement, to restrict the addition of extra shifts, even during busy periods. The textile industry is a case in point.

Faced with such variations, employees through their union organizations have always attempted to regulate the operation of shifts to work the least possible disadvantage for those workers obliged to follow abnormal working schedules. During normal times, agreement provisions tend to restrict the operation of extra shifts as much as possible. During emergencies such as the present war, however, such agreement restrictions are relaxed so as to facilitate the fullest utilization of productive equipment. (See ch. 13, p. 106.)

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Restriction on Multiple Shifts

Only a small proportion of the agreements which mention shift arrangements entirely prohibit second and third shifts. Absolute prohibitions are generally found in periods when production facilities are considered to be overexpanded, where there are wide seasonal fluctuations, where unemployment is acute, or where the industrial processes do not require continuous operations. Uusually prohibitions against second- and third-shift operations are confined to restrictions on the addition of new shifts until existing shifts are working a specified number of hours per week. It is commonly provided in such cases that when operations fall below a certain level, the third and then the second shift will be eliminated.

A

Additional shifts may be worked only when the regular shift is working full time.

B

No second shift may be added unless the first shift is working 40 hours per week. The second shift will be guaranteed a minimum of 30 hours per week.

C

If there is not sufficient work to maintain full-time operations on three shifts, the third shift shall be reduced as far as necessary to maintain full-time operations on the first and second shifts. The third shift will be eliminated entirely before there is any reduction on the second shift. If there is not sufficient work for two shifts full-time, the second shift shall be reduced in the manner described above.

Work Sharing Between Shifts.

Rather uncommon in union agreements are clauses requiring the sharing of work between shifts as long as a second shift is employed. Such a clause is found in industries where one-shift operation is customary, with the temporary addition of a second shift only during rush seasons.

If the employee personnel of the company shall be inadequate to production requirements within the regular working hours and weeks above defined, then additional employees and additional shifts may be employed in the discretion of the company; but the company shall not add additional shifts until such time as the regular shifts are employed for at least 40 hours per week: *Provided, however*, That in all succeding weeks after the first week of additional shifts, hours of employment shall be divided equally between the regular and other shifts until such time as the 40-hour-per-week employment is sufficient to meet production requirements, after which only one shift shall be employed, and shall prevail until such time as production requirements shall again necessitate additional shifts.

Negotiations Required.

Other agreements leave the question of shifts to future negotiations and require mutual agreement before a shift may be added, or that advance notice of an additional shift be given to the union.

A

A second or third shift will not be added until the employer and the union have discussed the matter and agreed to the addition.

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B

Before a second or third shift is added, the employer will notify the union of its intention and of the probable length of the period during which the added shift will be in operation.

Shift Differentials

In order to compensate workers for inconvenient hours of work, a considerable number of agreements provide for either an hour or a wage differential, or both, for shifts other than the regular day shift. In continuous-process industries, such as blast furnaces, pottery, and glass, where shift rotation is usual, wage differentials between the various shifts or for Sunday work are very infrequent. In other industries, where multiple shifts are employed for increased production, fixed shifts are common, and the unions usually ask for an increase in the regular rate, or for shorter hours with no decrease in pay, to compensate for inconvenient hours. The former is the more common practice, usually taking the form of a 5- or 10-percent increase, or a 5- or 10-cent bonus. A combined wage and hour shift differential is unusual in union agreements. Under a provision of this type daily or weekly wages for shift workers are greater than for day workers and working hours of shift workers are shorter.

The differential may be required for all shifts other than the day shift, for the third shift only, or for any shift beginning or ending before or after specified hours. Frequently, any work between certain hours, such as 6 p. m. and 6 a. m., is classified as shift work and is paid for at the premium rate. Other agreements provide that if any part, or if a stated proportion, of a regular shift falls between certain hours, the differential shall be paid for the full shift. A number of agreements which require differentials for both the second and third shifts also require a slightly higher differential for the third shift than for the second. A typical provision may require a 5-percent differential for the second shift and 10-percent, for the third.

In some agreements a shift premium is applied even though shift-rotation is in effect. Since all workers must take their turn on the second and third shifts, a fixed premium which in effect amounts to a pay increase is paid to all who participate.

Night Wage Differential.

A

The minimum rate of pay for employees working on the second shift will be 5 percent above the regular day rate and for employees on the third shift will be 10 percent above the regular day rate.

B

A 5-cents-per-hour bonus will be granted to employees regularly assigned to a work shift where the schedule for such shift requires work after — p. m. or before — a. m.

Night Hour Differential. *(See also Meal Periods, p. 86.)*

A

Employees on the second shift will work 7½ hours for 8 hours' pay and employees on the third shift will work 7 hours for 8 hours' pay.

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B

Employees on other than the regular day shift will work 7½ hours for 8 hours' pay.

Night Wage and Hour Differential.

Employees working any hours on the second shift shall be paid, in addition to regular pay and overtime, a bonus of 5 cents per hour. Employees working the third, or grave-yard, shift shall work 6½ hours and receive 8 hours' pay. In addition, they shall receive 5 cents per hour bonus.

Differential Applied to Rotating Shifts.

A

All employees who are regularly required to work in rotation on the day, evening, and graveyard shifts, or on any two of such shifts, shall, while performing such shift work, be paid 2½ cents per hour in addition to the minimum wages above specified, and all employees who are employed steadily on the evening or graveyard shifts shall, while working on either of said shifts, be paid 2½ cents per hour in addition to the minimum wages above specified.

B

Shift premiums shall be paid at the rate of 5 cents per hour to all employees on rotating shifts.

Bonus Payments to All Shifts.

Agreements in an industry where one-shift operation prevails may provide that, if a second shift is added, workers on the first as well as the second shift shall receive extra pay. Such a provision represents a penalty rate, the purpose being to discourage a change from the prevailing one-shift operation.

The compensation for night work shall be the same as provided for day work, except that for night work on any loom 15 percent extra shall be paid on the gross earnings of the night worker who shall receive 10 percent, and the day worker on such loom shall receive 5 percent.

Higher Shift Differential to Senior Employees.

Under most agreements, all workers on a shift are paid whatever differential is required by the agreement, although a few require higher differentials for workers of more than a stated amount of service with the company. When a new shift is added, a certain number of more experienced, skilled employees must be induced to accept transfer to the new shift. To accomplish this, some employers are willing to grant higher shift differentials to senior employees who transfer.

Hourly paid employees on the second and third shifts shall be paid additional compensation on the following basis:

Those who have a service record of—	*Cents per hour*
1 year or more but less than 3½ years	5
3½ years	5½
4 years	6
4½ years	6½
5 years	7
5½ years	7½
6 years	8
6½ years	8½
7 years	9
7½ years	9½
8 years	10

The additional compensation paid will be, minimum, 5 cents per hour and, maximum, 10 cents per hour.

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Choice of Shifts

Where the fixed-shift system exists the agreements may permit workers their choice of shifts, usually on the basis of seniority. Factors such as personal convenience, wage or hour differentials, or differences in earning possibilities may dictate the workers' choice. Difference in earning possibilities would be a factor, for instance, in restaurant and some service trades, where earnings are dependent upon the number and kinds of customers served. (See also p. 136.)

A

Shift assignments will be made on the basis of seniority, employees with the longest seniority receiving first choice of shifts.

B

Night men shall have preference for vacancies on the day shift and no new employee may be hired on the day force so long as there are night men who wish to change shifts.

C

Preference of shifts shall be based upon seniority unless the efficiency of the plant is affected.

Temporary Exchange of Shifts

Under a few agreements, individual workers may exchange shifts temporarily, for their own convenience, usually after receiving the consent of management. Frequently, it is required that the temporary transfer must be accomplished without extra cost to the employer and without interfering with production.

A

For convenience, employees may make a temporary exchange of shifts upon notice to and permission from the foreman.

B

Shift employees shall have the privilege of exchanging shifts by individual arrangement provided (1) their supervisor's or foreman's consent is obtained and (2) the change can be accomplished without additional cost or penalty to company.

Split Shifts

Because of the spread of time during which a worker is liable for duty, split shifts are prohibited in many agreements through the requirement that the working hours in each day be continuous. Others allow split shifts in emergencies. However, in some trades, such as restaurants, the splitting of shifts is the prevailing practice. Agreements in such industries usually regulate the number of splits permissible and the length of the spread. For example, only one split in a shift may be permitted, the shift to be completed within 12 hours. Occasionally, a wage differential is specified for employees working split shifts.

A

No employee may be required to work a split shift.

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B

Split shifts are permitted, but the spread for any employees shall not exceed — hours.

C

Split shifts will be avoided insofar as possible but, when such are necessary, the shift schedules will be determined jointly by the employer and the union. For employees working split shifts a differential of — cents per hour will be paid.

D

The workweek for telephone operators shall consist of 8 hours per day and 40 hours per week and their schedule shall be so arranged in order that they will be employed no longer than 4 consecutive hours on each trick except Sundays, holidays, and nights. As far as reasonably practical, telephone operators starting a trick shall be permitted to continue working the entire 4-hour trick.

Rotation of Shifts

In continuous-process industries which regularly operate on a three-shift basis, the rotation of shifts between three or four crews is common. By such rotation all workers take their turn at night work as well as on Saturdays and Sundays, if work is performed on these days.

Very few agreements include the detailed hour schedules for shift rotation. With a 40-hour workweek, four crews are needed to provide continuous work 7 days a week. There are a number of possible arrangements for rotation of first, second, third, and swing crews as well as for rotation of days off.[1] Such detailed shift arrangements and crew assignments are usually taken care of outside the agreements, although a few agreements specify that the workers concerned shall determine the schedules.

Shift men regularly assigned to shift work in any specified department may, upon a majority vote, adopt a plan of equitable rotating working schedule of their own choice, provided no man works more than 8 hours in any 1 day, or an aggregate of more than 72 hours in any 2 weeks.

While not going into details on making schedules for shift rotation, a number of agreements specify the number of hours off between shifts, frequency and continuity of days off, notice of change in shift, etc.

A

Each employee shall receive at least — hours' notice of a change in shifts. The first day of work after a change of shifts will be paid for at the overtime rate. There shall be at least an 8-hour rest period between shifts.

---

[1] The Wage and Hour Division of the U. S. Department of Labor has issued the following release (R-1675, Dec. 14, 1941):

Planning a 4-shift system is a very simple matter. In a typical 40-hour week, continuous-operation schedule, 3 shifts work regular 8-hour tricks 5 days a week, accounting for 120 of the 168 hours in the week. The swing shift works the remaining 48 hours on a staggered basis. Some manufacturers work the swing shift 40 hours and use the remaining 8 hours for reconditioning the machines.

The swing shift does not work the same days nor the same hours each week, but after 3 weeks it is back right where it started. Schedules are usually laid out in 3-week cycles. A typical schedule is shown below:

Shift	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
12–8	B	C	C	C	D	C	C	C	A	A	A	D	A	A	A	B	B	B	D	B	B
8–4	A	A	A	A	A	D	X	B	B	B	B	B	D	X	C	C	C	C	C	D	X
4–12	D	D	B	B	B	B	D	D	D	C	C	C	C	D	D	D	A	A	A	A	D

Period X's used for reconditioning machines.

B

Each employee shall receive at least — hours' notice of a change in shifts. No employee shall, because of a change in shift schedules, be required to work more than 16 hours in any 24-hour period.

C

Where 8 hours in a 24-hour period is exceeded by reason of a change of a shift, such excess shall not be considered as overtime unless there has been an excess previously, in the same pay period due to a change in shift.

D

Shift schedules for employees on continuous operations will be so arranged as to allow — consecutive days off in every — day period. The days will be designated in advance insofar as possible.

E

Shift assignments will be rotated every — weeks for each employee. No employee may work less than — or more than — consecutive weeks on the night shift.

Shift Partner

Where continuous operations are being maintained, a worker usually must remain at his post until his shift partner appears or until the company is able to secure a substitute. A worker who is not relieved may therefore be required to work for two consecutive shifts, usually at regular instead of overtime pay. This problem is dealt with in some agreements by the provision that a shift worker forced to work two consecutive shifts will be paid overtime, and in some cases is furnished a meal by the employer, if the company has been notified within a stipulated period to secure a replacement and none is furnished.

A

If the employer has not been notified at least — hours in advance that an employee will not report for work, his shift partner must continue to work at his regular pay until a substitute is furnished. If the employer is notified and fails to provide a substitute, the shift partner shall be paid overtime rates for all work in addition to his regular shift.

B

If an employee's shift partner fails to appear, he must notify the foreman and continue to work at his regular pay until a substitute is furnished.

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Chapter 13

Sunday and Holiday Work

Union agreements customarily grant time off on Sundays and specified legal holidays, and time-and-one-half or double-time rates when work is required on these holidays. There are two basic reasons for the existence of special rates for holidays and for Sunday, and to a lesser extent Saturday work. First is the principle that holiday work, as such, deserves special rewards. Related to this is the deterrent effect of penalty rates on the extension of work over the week-end holidays.

In normal times 7-day operations are rare and the Saturday and Sunday pay provisions apply, for the most part, to work of a temporary, emergency character. An evidence of this is the fact that many of the agreements which provide penalty rates for production workers exempt those who regularly must work on Saturday and Sunday—watchmen, maintenance men, etc. Also agreements covering service trades requiring work on Saturdays and Sundays—such as hotels, restaurants, theaters, and transportation—usually do not provide penalty Sunday rates although sometimes certain allowances are made, such as a full day's pay for less than a day's work. For continuous-process workers there are usually no special arrangements except that if any are required to report on a holiday which is their regular day off they are paid holiday rates. In such industries, rotation of shifts is usual, and free Sundays and holidays are thereby distributed with more or less regularity among all employees.

During the present war emergency as plants normally on a one-shift basis are converted to 24-hour-day operations, most of the usual penalty pay provisions for Saturday and Sunday work have been altered. Instead of paying time and a half or double time for Saturday and Sunday work as such, a majority of the agreements in 7-day operation plants now provide for time and a half for each employee's sixth, and double time for his seventh, consecutive day worked. Many agreements include a further clause that Sunday shift work shall be rotated as much as possible.

The majority of union agreements in manufacturing, construction, and mining provide time off for holidays without pay. In the past, holidays with pay have customarily been granted only to salaried workers as distinct from wage earners. At present, an increasing number of agreements make provision for paying wage earners for some or all of the major holidays. Whether or not regular pay is granted, if unusual circumstances make work necessary, special holiday rates are usually provided.

The number of holidays specified in union agreements varies considerably. The most common are six—New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving, and Christmas.

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Some additional holidays frequently observed are Armistice Day, Election Day, Columbus Day, Washington's Birthday, and sometimes Lincoln's Birthday. Special local patriotic and labor holidays, as well as religious holidays, are also included in some agreements.

Penalty Rates for Sunday and Holiday Work

When work on Sundays and holidays is not included in the regular schedule but becomes necessary due to an emergency situation, a penalty rate is generally provided. In some cases, the penalty rate is the same as that specified for weekday overtime. In a great number of instances, however, the penalty rate for Sunday and holiday work is higher than the weekday overtime rates, the most common being double time. In addition, a minimum amount of pay is sometimes specified—such as half or full day's pay—even though only a few hours are worked on a holiday.

A

Double time shall be paid employees working after 6 p. m. Friday, and on Saturday, Sunday, and the following holidays: [List]. There shall be no work on the above-mentioned holidays except in special cases of emergency.

B

The following days shall be classed as holidays: New Year's, Memorial Day, Independence Day, Thanksgiving, and Christmas; any time worked on these days shall be paid for at double time. No work whatsoever shall be performed on Labor Day.

C

[Same as above except last sentence reads:] No work other than watchman or fireman shall be done on the first Monday in September, except in the case of emergencies beyond the control of the company.

Continuous-Process and Maintenance Work

Because their work requires attendance throughout the day and during periods when regular shifts are not working, maintenance employees and workers on continuous-process operations are generally required to work on a holiday which is not their regular day off, without extra compensation. In some cases, however, these workers are paid an established penalty rate for holiday work. (See p. 99 for holiday pay for fixed shift workers.)

A

For work on the following holidays double time will be paid except to watchmen and powerhouse employees who will receive time and one-half. [List of holidays follows.]

B

Sundays and [list] are regarded as holidays and, except for watchmen and powerhouse employees, workers on continuous processes and for such repairs as are essential to factory operation, work will be avoided. Overtime will not be paid for these holidays for work required in the continuous processes or for repairs of emergency nature essential to factory operation except for Christmas Day and Fourth of July. If, however, emergencies arise where work on Sundays or any of the holidays stated is required to fill emergency orders or to avoid the hiring of temporary employees during any rush season, it is agreed that Sunday and holiday work may be carried on provided overtime is paid on such Sundays for this emergency work.

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C

Employees working in necessary continuous 7-day operations whose occupations involve work on Saturdays, Sundays, and holidays shall be paid overtime for work on these days only for time worked in excess of 8 hours per day or in excess of 40 hours in the employees' working week.

Modified Penalty Rates During War Emergency

Most agreements covering war production workers have suspended their regular penalty rates for Saturday and Sunday, but retain time and one-half for specified legal holidays and for the sixth consecutive day worked, and double time for the seventh day in any regularly scheduled workweek.[1]

A

Saturdays and Sundays shall, for the duration of the present national emergency, be considered as regular workdays, and work performed on such days shall be paid for at straight time rates as provided below:

Time and one-half shall be paid for the sixth consecutive day worked and double time shall be paid for the seventh consecutive day worked in an employee's regularly established workweek.

In computing the number of "consecutive days worked" by an employee the following shall be considered days worked:

(*a*) Days or parts of days lost by employees when unable to work on account of injuries sustained by accidents arising out of and in the course of their employment; provided that prompt reports of such injuries are made to the management.

(*b*) Days or parts of days lost by employees when they report to work as required but are not put to work or are sent home before the end of the day for reasons beyond the employees' control.

(*c*) Days lost because of holiday shut-down.

Time and one-half shall be paid for work done on New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day.

B

In the event a continuous type of operation is installed at some future date, Saturdays, Sundays, and holidays will be considered regular working days and overtime will be paid only for time worked in excess of 8 hours per day or 40 hours per week.

C

(Building Trades—Defense Construction)

Where a single shift is worked, 8 hours of continuous employment, except for lunch periods, shall constitute a day's work beginning on Monday and through Friday of each week. Where work is required in excess of 8 hours on any one day or during the interval from 5 p. m. Friday to 7 a. m. Monday, or on holidays, such work shall be paid for at 1½ times the basic rate of wages.

Where two or more shifts are worked, 5 days of 7½-hour shifts from Sunday midnight to Friday midnight, shall constitute a regular week's work. The pay for a full shift period shall be a sum equivalent to 8 times the basic hourly rate and for a period less than the full shift shall be the corresponding proportional amount which the time worked bears to the time allocated to the full shift period. Any time worked from Friday midnight to Sunday midnight or in excess of regular shift hours shall be paid for at 1½ times the basic rate of wages. Wherever found to be practicable, shifts should be rotated.

Holidays With Pay

In the case of salaried workers paid by the week or month the determination of holiday pay presents no problem. Holiday pay for

[1] This conforms to Executive Order No. 9240, effective October 1, 1942, which applies to all war industries.

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hourly workers is calculated by applying the employee's regular hourly rate to the normal daily working hours. For piece workers holiday pay is determined by securing an average of daily earning for a specified period.

A

The following holidays shall be observed with full pay: New Year's Day, Independence Day, Labor Day, Thanksgiving Day, one-half day on Election Day, Christmas Day, Washington's Birthday. When a paid legal holiday falls on Sunday, the following Monday shall be considered as a paid legal holiday.

B

All workers shall be paid for the following legal holidays: Washington's Birthday, Decoration Day, Fourth of July, Labor Day, Thanksgiving Day, Christmas Day, and New Year's Day, on which days they are not permitted to work. Piece workers shall be paid for the aforementioned holidays on the basis of their average earnings for the month preceding the week in which the particular holiday falls. Week workers and hourly workers shall be paid for each of those holidays irrespective of whether or not they perform work during the week in which the particular holiday occurs.

Partial Operations.

Where partial operations are necessary, such as in certain service industries, full pay is sometimes provided for less than a day's work or holidays with pay are rotated.

A

No more than the force absolutely necessary will be kept on duty on the following holidays: [List]. All other employees will be excused without loss of pay for time not worked. Employees will be excused on holidays in rotation.

B

An employee whose regular shift falls on a holiday will receive a full day's pay for 4 hours' work. Any work required beyond this amount will be paid for at the holiday overtime rate.

C

An employee whose regular shift falls on a holiday will not be required to work more than absolutely necessary, but will receive a full day's pay in any case.

Eligibility for Holiday Pay.

In most agreements which grant holiday pay such pay is granted only to employees who have worked all or part of the preceding week. In a few agreements part-time workers get pro rata holiday pay. In some instances pay is lost if the employee is absent on the day preceding or immediately following the holiday. This, of course, prevents an undue drop in production during the holiday week.

A

Any regular full-time employee who is ill in any workweek in which a holiday falls, but who has worked at least 1 day during that workweek, shall be entitled to pay, in cash, for said holiday, or at the option of the employer shall receive corresponding time off.

B

During the week in which a legal holiday occurs, employees working less than a full week shall be paid for the holiday pro rata for the hours worked. No worker shall be discharged in a week preceding a holiday.

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C

No employee who is on leave or lay-off on the day preceding or following a legal holiday will be paid for such holiday.

D

Any employee failing to work the day preceding or the day following holidays as of this agreement without a reasonable excuse, shall not receive pay for the holiday.

E

Any employee working 3 days in any workweek Monday to Friday shall be paid for legal holidays occurring during said workweek.

Holidays Without Pay

While paid holidays are general for salaried employees and are being extended to hourly and piece workers, at present the majority of agreements covering the latter classes of employees provide only for time off for special holidays.

A

No employee will be required to work on Sundays and the following holidays: [List]. It is further agreed that if any holiday herein named shall fall upon any employee's regular day off he shall be granted an additional day off which shall be given within the following 3-week period.

B

[Same as above with following addition:] *Provided, however,* That on Saturday night and the eve of a holiday, employees will work 2 extra hours at the regular rate of pay.

C

On all holidays recognized by the State of ——— the employer agrees to close his plant, excepting for emergency repair work.

Making Up Holidays

In establishments where the observance of holidays may seriously curtail scheduled production, employers may require time so lost to be made up by the employees. Some agreements, however, specifically prohibit making up time lost due to holidays. If holidays are observed without pay, a few agreements give employees the option of making up holidays in order to avoid a decrease in normal weekly earnings. Make-up time, if permitted, is generally worked on Saturdays, which is a regular day off for most employees, although, in some cases, lost time may be made up by working extra hours several days preceding or following the holiday.

A

No work shall be done on legal holidays and no time made up because of legal holidays unless agreed to between company and union.

B

There shall be no work done on Sundays or on the following legal holidays: [List]. No employee shall be required to work Saturday in order to make up work lost on a holiday.

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C

There shall be no work done on the following legal holidays nor on the days on which said holidays are observed: [List]. If at any time the company wishes to work on Saturdays they must notify employees the Thursday before.

Make-up at Penalty Rate.

If employees have worked the full maximum weekly hours permitted, there is, of course, no question as to the rate of compensation for make-up time since the overtime rate would apply. Some agreements, however, require payment of the overtime rate for make-up time even if less than the maximum weekly hours have been worked, particularly if lost time is to be made up on a Saturday. In other agreements all make-up time under the maximum weekly hours is compensated at regular rates.

A

Time lost because of holidays shall not be made up, except, if necessary, at overtime pay.

B

[Same as above with following addition:] *Provided, however,* That on Saturday night and the eve of a holiday, employees will work 2 extra hours at the regular rate of pay.

Make-up at Regular Rate at Employer's Option.

A

If a holiday intervenes during any given week, and the employees receive payment for that holiday, the employer shall have the right to make up the time so lost without having to pay overtime rates.

B

When a holiday falls on Monday to Thursday, inclusive, the operation of the plant for not more than 1 extra hour during each of 3 or 4 of the other regular days of the same week, and for either 4 or 5 hours on the following Saturday, or for a total of not more than 8 extra hours during the week is permitted, and is not to be considered overtime whenever employees are working approximately full time and at least 60 hours' notice is given to the executive board of the union that production requirements make such additional hours of operation necessary. When a holiday falls on Friday, the operation of the plant for not more than 1 extra hour during each of the other 4 regular days of the same week is permitted, and is not to be considered overtime whenever employees are working approximately full time and at least 60 hours' notice is given to the executive board of the union that production requirements make such additional hours of operation necessary.

C

If a holiday recognized by the employer intervenes on any one of the 5 working days and operations are suspended, the employee shall make up the time lost as a result of the holiday on Saturday at straight time and as part of the regular workweek.

D

In the event a holiday occurs on a workday the employers have the right to work the employees 8 hours during any part of the workweek in order to make up the lost time.

Make-up at Regular Rate at Employees' Option.

The following days are designated as holidays: [List]. Insofar as it is practical employees shall be allowed to make up time lost on the above holidays

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Chapter 14

Leave of Absence

In many agreements an employee is entitled to remain away from duty for limited periods without jeopardizing his job status. Leave of absence without pay may be as short as a few days, and is usually limited to not more than a year. Generally, the agreements draw a distinction between excusable and nonexcusable absences. Absence with permission of the employer will not, ordinarily, affect the employee's job status. In a few instances, seniority with the company continues to accrue during the employee's absence. (See ch. 15, p. 121.) Absence without permission may be construed by the employer as a resignation in fact. Most agreements contain specific regulations concerning the conditions under which leave may be taken and define the worker's right to reemployment. Some agreements require that the conditions of the leave grant be reduced to writing.

Leave for Any "Reasonable" Purpose

A considerable number of agreements do not recite the permissive reasons for leave, but simply specify that leave may be obtained for a "good" or "reasonable" cause.

A

A leave of absence will be granted without pay for any reasonable purpose upon request of the employee.

B

Any employee may have 30 days' lay-off, on receipt of permission from the proper official, without written leave of absence. If over 30 days, and under 90 days, he shall have written leave of absence from the superintendent. After the expiration of 90 days, all time thereafter shall be deducted from his seniority, the limit of leave of absence to be 7 months. Should he return after expiration of 7 months he should be employed as a new man. This is not to apply in cases of sickness, disability, or while engaged on committee work or special duty for the company.

C

When the requirements of the factory will permit, employees, for satisfactory cause or circumstances, will be granted a leave of absence for a limited time, but not to exceed — days.

Leave for Union Business

Leave for union business relates to attendance at conventions and service as a full-time union officer. Some agreements place a limitation on the number of employees that may be on union leave at any one time.

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A

Any member of the union being elected to or selected for office or as a delegate for specific [name of union] activities necessitating leave of absence shall be granted such leave with the privilege of renewal at the end of the term of office or end of mission. Such employee shall be returned to work with full retention of his or her seniority rights and at the prevailing rate of pay at time of return.

B

Employees will be allowed a reasonable period of leave without pay not to exceed — months to attend conventions, to hold full-time office in the union, or to perform other duties for the union.

Leave for Civic Duty

A leave grant to fulfill civic obligations refers to such matters as jury duty, testifying in court, and acceptance of public office.

The employer agrees to pay all employees at — percent of their regular rate of pay for all jury duty and National Guard duty (including summer training camps) up to a total of — weeks in any 1 calendar year.

Leave for School Attendance

A few agreements contain provisions relating to leave of absence for self-education.

An employee having 5 years or more of company service credit may arrange with the general foreman of the department and the personnel department to retain such service credit during a period of extended absence from the rolls of the company to further self-education in an established school, college, or university.

Sick Leave

Sick leave with pay is confined, for the most part, to the salaried and professional groups. Agreements containing sick-leave-pay provisions usually restrict the benefits to full-time employees with a minimum of 1 year's service with the company. The maximum period for which full pay is provided is ordinarily about 2 weeks and there is usually a provision permitting cumulation of unused sick leave up to specified amounts. To prevent abuse of the sick-leave privilege employees may be required to submit proof of illness or disability by a doctor's certificate.

Noncontributory Arrangement.

A

Employees shall receive sick leave with full pay for such time as the employer and the union shall agree. In such instances each case will be considered on its merits.

B

Workers who have completed — year[s] of service shall be allowed sick leave with pay not to exceed — working days during the calendar year. Unused sick leave may be added to the following year's allowance, except that it may not exceed — working days for any 2 consecutive calendar years.

C

Sick-leave allowances will be on the same basis as vacations. Employees who are off on account of sickness in excess of specified allowance in any given year, will be given additional time off with pay to the extent of their

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unused sick-leave allowance in previous years, and at their request may in addition thereto have all or any part of their unused vacation allowance for the current year charged to sick leave. In the application of this sick-leave rule, the employer may demand evidence of sickness being bona fide in the form of a written statement from a reputable physician, or a company physician.

D

Each employee with over — months' service with the employer will be allowed not more than — days of leave for sickness or disability in each calendar year with full pay.

E

Each employee with over — months' service with the employer will be allowed not more than — days of leave for sickness or disability in each calendar year. Pay during sickness or disability will be — percent of the employee's regular pay for the first — days and — percent of the regular pay for the next — days.

Contributory Arrangement.

A sick-leave fund shall be created in the following manner. Each employee shall contribute 10 cents a week for 40 weeks, and the employer shall contribute 50 cents a week for 40 weeks; until each employee shall have given to the fund 4 dollars, and the employer 20 dollars.

The fund shall be spent in the following manner: Any employee reporting himself too sick to work shall be examined. If employer's physician reports employee too sick to work then employee shall receive half pay if his sickness extends over a period of 5 days, and this pay shall continue up to 1 month's illness. Employer's physician shall receive his fee before employee receives his half pay. When the fund is depleted the process described above shall be repeated.

Sick Leave Without Pay.

A

Each employee with over — months' service with the employer will be allowed not more than — days of leave without pay in each calendar year for sickness or disability. During such leave the employee will continue to accrue seniority rights and, upon return, he will be given his own or a similar job and will receive his regular rate of pay. Any employee who becomes sick or is disabled is entitled to receive in advance the requested portion of his earned vacation with pay.

B

Employees unable to perform their duties because of sickness or disability shall not lose their seniority and they shall be put back on the job as soon as they are able to work. The company maintains the right to require a medical certificate to prove either ability or inability to work.

Additions to Workmen's Compensation.

If an employee's injury is covered by workmen's compensation laws a provision is frequently included under which the employee continues to receive his regular pay until payments under the State compensation law begin. Less frequently, employers agree to contribute the difference between the employee's regular wage and his compensation allowance.

A

The employer will make up to any injured employee, entitled to compensation under the State workmen's compensation law, the difference between the compensation received and the employee's regular pay.

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B

Any injured employee who is entitled to compensation under the State workmen's compensation law will be paid — percent of his regular rate of pay during the "waiting period" established in said law.

Maternity Leave

The provision for maternity leave is not common in union agreements, especially in those covering industrial workers. Agreements covering professional employees more frequently mention maternity leave. A few of these grant pay for a limited number of weeks, while others specify that vacation and sick-leave pay may be applied to maternity leave. Most agreements which mention maternity leave at all, merely specify the length of time allowed before seniority and reemployment rights are forfeited.

Maternity Leave With Some Pay.

Maternity leave of at least 6 months shall be granted, with pay for at least 4 weeks.

Maternity Leave Without Pay.

A

In cases where maternity leave is granted, seniority will not be affected nor job considered permanent vacancy provided such leave is not for more than 1 year's duration. In maternity cases, if at the expiration of the 1 year's leave the health of the mother or the child will not permit the mother to return to her job, she may receive an extension of leave of absence by presenting the company with a doctor's certificate stating that the physical condition of the mother or the child will not permit her to return to work, provided such extension shall not exceed 60 days. If any leave extends for longer period than above provided for, then such person will not be considered an employee of the company.

B'

With respect to married women, in case of pregnancy, leave of absence will be granted for not more than 1 year. In no event will any female employee be permitted to return to work before 3 months after the bearing of a child and then only with her doctor's consent.

C

Maternity leave of from 3 to 6 months, as desired by the employee, shall be granted without pay to employees who have been employed by the employer 6 months or more, and no vacation deduction shall be made for maternity leaves of 6 months or less. Upon return to work, the employee affected by this section shall be restored to the position to which she was last assigned.

D

A maternity leave of from 3 to 6 months shall be granted to members of the staff. The length of such leave within such period shall be determined by the administration after conference with the worker. Maternity leave for a period greater than 6 months may be granted under special circumstances.

Family Sickness and Death

Leave for Illness in the Immediate Family.

The company will permit leave of absence without pay-roll deduction in event of serious illness of an employee's family that requires hospitalization of his wife, son, or daughter, or his father or mother when the parent resides with the employee. The maximum leave of absence under these circumstances will be 2 days.

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Leave With Pay for Death in the Immediate Family.

Employees, who have a death in their immediate family during the term of this agreement will be entitled to 3 work days' leave of absence with pay. The immediate family includes husband or wife, child, or father or mother of the employee.

Military Leave

Military leave provisions are concerned primarily with protecting the seniority and reemployment rights of workers who enter military service. For the most part, the agreements merely incorporate the provisions for reemployment which are included in the Selective Training and Service Act of 1940.[1] A number of agreements establish more specific guarantees than are provided by law. While some cover only workers who are conscripted others include volunteers as well.

Reemployment and Seniority.

The agreements generally make the right to reemployment contingent upon physical and mental fitness and on honorary discharge from the armed forces. The Selective Training and Service Act of 1940 specifies 40 days from the time of the employee's release from training and service as the period within which application for reemployment is to be made. A number of agreements specify slightly longer periods while some grant a "reasonable" period in which to apply.

Many agreements incorporate the same terminology as is employed in the Selective Service and Training Act, which is somewhat vague as to whether seniority is to be frozen as of the time of departure or is to accumulate during the period of military service.[2] The law specifies that persons discharged from military service be reemployed "without loss of seniority" and "to a position of like seniority, status, and pay." Other ambiguous terms are also used in agreements such as, for example, "full seniority rights." The actual benefits which will be derived from such phrased clauses will depend, in the last analysis, on the interpretation given by the courts to the term "without loss of seniority." Should the courts decide that accumulation of seniority was intended, agreements contemplating lesser benefits will, of course, be invalidated. On the other hand, should be courts conclude that Congress intended to conserve the seniority rights possessed at the time of departure, then the intentions of the parties to the agreement will be controlling.

A

Any employee who is called into active service, or who in time of war volunteers in the armed forces of the United States, shall be given a leave of absence for, and will accumulate seniority during, such period of service, and upon termination of such service will be reemployed provided he has not been dishonorably discharged and is physically able to do available work in line with his seniority, at the current rate for such work, and provided he reports for work within 60 days of the date of such discharge.

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[1] With respect to private industry, the law provides that any person inducted into the land or naval forces under the act, who leaves a position other than a temporary one, "* * * shall be restored to such position or to a position of like seniority, status, and pay unless the employer's circumstances have so changed as to make it impossible or unreasonable to do so * * *"

[2] The position of the Selective Service System is that this provision was intended to conserve to employees any right or benefit based on seniority which would have accrued to them had they remained in their civilian positions during the period they are in military service. Under this interpretation a person continues to advance in seniority during his period of military service.

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B

If during the life of this agreement any employee shall volunteer or be called by the United States Government for service in any of its armed branches or agencies during a period of war or emergency, he shall retain his position on the seniority list during such term of service; and the company agrees to reemploy such employee not more than 10 days after he applies for work, provided such application is made not more than 40 days after his discharge from governmental duty, provided he is physically qualified to resume his former duties. The physical and mental fitness of employees returning from military or emergency service shall be determined jointly by the shop committee of the union and the management.

Those employed to take the place of employees in the service will be considered as temporary employees and may be let out to make room for the employees returning from the service.

C

Any employee, while in the active service of the company, who is inducted into the land or naval forces of the United States for training and service under the Selective Training and Service Act of 1940, or who volunteers for training and service under said act, or who is called for active service in the land or naval forces of the United States and who upon the completion of such military service (*a*) is honorably discharged or receives a certificate of the satisfactory completion of his training and service, and (*b*) makes application for reemployment within 60 days after he is relieved from such service, and (*c*) can qualify at the time of making such application to perform the duties of the position in which he would have been employed on the basis of his accumulated seniority had he been in the continuous employment of the company, shall be reemployed in such position or in a position of like seniority, status, and pay, unless the company's circumstances have so changed as to make it impossible or unreasonable to do so. If such change has taken place, every effort shall be made to provide such employee with whatever suitable employment is possible.

Insurance and Pension Benefits.[3]

A number of agreements provide for the continuation of insurance and other benefit plans for employees on military leave on the same basis as during leave of absence for other reasons. However, since most insurance contracts issued during peacetime stipulated that they were subject to discontinuance or to increased rates if the United States entered war, few companies now have insurance programs in effect for employees in military service.

Any employee on the seniority list, who is now covered by group life insurance shall continue to be protected by this insurance while in the military service and while this country is not at war and the company will pay the premium for these men during this period.

Wages During Military Service.

Some employers and unions have negotiated agreements which provide compensation for drafted workers or those who voluntarily enter the military service. This usually takes the form of a bonus amounting to a specified number of weeks' pay, or a specified sum for a few weeks after the worker departs for military duty. If the military duty is of a very short duration, such as a summer training period, some agreements provide for full pay during such time, minus the amount of Government pay which the trainee receives.

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[3] The Selective Service and Training Act of 1940 provides that employees restored to service "* * * shall be entitled to participate in insurance or other benefits offered by the employer pursuant to established rules and practices relating to employees on furlough or leave of absence in effect with the employer at the time such person was inducted into such forces * * *."

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A

Any employee who is a member of the United States military, and who is called into emergency military service for other than strike or similar duty, shall be paid a maximum of — weeks' regular pay per year minus the amount of his Government base pay. This provision does not apply to time spent in training during the employee's regular vacation period.

B

The employer will pay the sum of $—— per week to any employee who leaves to enter military service. Such payments shall continue for — weeks.

C

The company will pay to all employees leaving for military service 1 week's pay based on average earnings for a 40-hour week exclusive of any overtime pay and in addition such employees shall receive their vacation pay.

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Chapter 15

Seniority

Seniority is the principle granting preference to employees in certain phases of employment in accordance with length of service. The principal aim of a seniority program is to afford the maxium security and reward to those who have rendered longest service. Also, from the workers' standpoint, a definitely established seniority program provides an objective standard of selection, thus eliminating the possibility of favoritism and discrimination in various phases of the employment relation.

Seniority early became a major issue among the skilled workers on the railroad where employment tenure was broken up by frequent transfers and lay-offs due to consolidation and technological improvements. To overcome the frequent complaints of favoritism and discrimination, one of the first demands of the railroad unions, after collective bargaining was established, was the institution of a system of straight seniority in transfer, lay-off, and promotion. The printing-trades unions also were among the first to urge the recognition of seniority, and "priority rights" were adopted whenever the unions became strongly established. One effect of seniority in these trades was to reduce greatly the number of itinerant craftsmen who traveled from town to town.

The growth of mass-production industries and increased union organization during the last few years has made the question of seniority one of the dominant issues in industrial relations. In these industries seasonal fluctuations in production mean frequent lay-offs. Since the great majority of the jobs are semiskilled or unskilled, most of the workers can be easily replaced, thus increasing the feeling of insecurity. The emphasis on youth and speed in these industries also has tended to cause a feeling of insecurity on the part of the older workers.

There are a few industries which, although extensively organized, are marked by an almost complete absence of seniority provisions in their union agreements. These, in general, are highly seasonal industries, such as building construction, clothing, and coal mining. Since such a large part of the working force is affected by slack work at one time, most unions in these industries prefer work sharing to lay-offs based on seniority. In some of these industries the union office or hiring hall is relied upon to provide job protection, rather than seniority rules negotiated with employers. The union in such cases carries out a modified seniority program by assigning new jobs to those who have been unemployed for the longest period. In some hiring halls both "regular" and "extra" lists are maintained, with employment preference given to those on the "regular" list.

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Even where rotation of work or work-sharing has been accepted in place of a seniority program, seniority is sometimes resorted to in special situations; for example, when there are large permanent reductions in staff due to technological changes or other reasons. Similarly, where rigid seniority rules for lay-offs are in effect, during a period of widespread unemployment these rules may be modified to provide for a more or less equal distribution of available work among all employees or among those with a specified length of service.

The application of a seniority program presents difficult problems both for the employer and the union. Some of these problems are: The area upon which seniority rights are to be established, that is, plant, department, or occupational unit; the result of displacing junior employees who are both competent on the job and loyal union members; the degree to which competence and ability should be considered along with seniority.

In spite of these very real problems, many employers as well as unions have found that the practice of seniority has distinct advantages. It prevents discriminatory firing and favoritism in promotions. It reduces the number of voluntary quits since a worker not only hesitates to lose accumulated seniority but also finds it harder to secure employment in another plant where workers have established seniority rights. Although seniority does not eliminate the hazards of unemployment during seasonal declines or cyclical depressions, a measure of job security is obtained. Since a large portion of the working force has reasonable assurance of reemployment at the end of short lay-off periods, they are relieved of the necessity of seeking employment elsewhere. Similarly, employers have assurance that a large portion of their experienced workers will return as soon as business picks up.

This chapter deals only with the mechanical arrangements for acquiring and maintaining seniority. For agreement provisions governing the application of seniority in the various phases of employment see chapter 17, Promotion, Transfer, and Assignments; chapter 16, Lay-off and Reemployment; and chapter 12, Shift Operations.

Company or Plant-Wide Seniority

Under company-wide seniority the status of each employee equals the total of his recognized service with the company. Transfers from job to job within the company or plant, therefore, have no effect on seniority standing. Plant-wide seniority gives the greatest possible security to senior employees, since preference in lay-off and recall is on the basis of total service regardless of which department or occupation is being curtailed. This type of seniority is most common in small establishments where the jobs are more or less interchangeable. It is seldom practicable in plants where it is necessary for a worker to go through a considerable training period when he is transferred to a new job in order to replace a person with less seniority.

Each employee will have seniority standing equal to his total length of service with the employer, dating from his first day of employment by the employer.

Seniority Dates From Reemployment.

The following provision gives no seniority credit to former employees for previous service with the employer. With each lay-off

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all accrued seniority is lost and seniority starts from the date of reemployment.

Each employee will have seniority standing equal to his length of continuous service with the employer, dating from the day of last employment by the employer.

Departmental or Occupational Seniority

In larger establishments, where operations are more varied, it is common to establish separate seniority lists on departmental lines or according to occupational groupings.

While strict departmental or occupational seniority is the simplest to apply in a large establishment, it may cause dissatisfaction in certain cases. Thus, if work in one department becomes slack while others are working steadily, employees with long years of service may find themselves out of work while junior employees in other departments are working full time. Also, transfers between departments are discouraged, since a transfer results in complete loss of accumulated seniority. This may be alleviated somewhat by allowing a transferred employee to retain his seniority in his old department, while starting as a junior employee in the new department. Then, in case he were laid off in his new department, he could exercise seniority in his old department to displace employees with less seniority in that department. This prevents the loss of accrued seniority rights which would otherwise accompany a transfer from one department to another.

Department and occupational groupings of employees are sometimes identical. In any case, "occupation" and "department" may be used interchangeably in the following provisions, depending on seniority jurisdiction agreed on. The first provision cited, when combined with a "bumping" clause (see ch. 16, p. 130), allows employees laid off in their present department to exercise their seniority credit earned in a former department to displace employees with less service credit in that department. This privilege would be denied under the second clause below.

A

Each employer will have a separate seniority standing in each department in which he has worked. His seniority in each department will equal the length of service in that department, dating from the first day of employment in the department.

B

Employees will have seniority standing only in the department in which they are working, dating from the first day of employment in that department.

Combined Plant and Departmental Seniority

In an attempt to reconcile some of the disadvantages of a strict application of either plant or departmental seniority, unions and management have negotiated various plans combining the two types of seniority. In many agreements seniority is applied in such a way as to effect a combination of plant-wide and departmental seniority. For example, lay-offs may be based on plant-wide seniority while departmental seniority is used as the sole basis of promotions. Other agreements allow employees to apply their seniority credit only in

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the department in which they are working, but compute such seniority on the basis of total service with the company.

In some plants new employees are hired in a general labor or entrance department and promoted to other departments as vacancies occur. Although seniority is departmentalized, employees laid off in any department may claim unskilled work in the entrance department on the basis of their plant seniority.

A type of seniority may be applied in temporary lay-offs due to slack work; which differs from that used in making permanent reductions in the working force. In permanent reductions, greater emphasis is usually placed on plant or company seniority, even though seasonal lay-offs are based on departmental seniority. Since transfer in the former case is likely to be permanent, a retraining period is tolerated, which is not the case in temporary transfers during slack periods.

The clause cited below grants maximum privileges to employees longest in the service of the company, not only in the department where they are presently employed, but in all former departments where they have worked. The latter are important if "bumping" is allowed when production slackens. In transferring from one department to another an employee would not go to the foot of the departmental seniority list, but would assume a position on the list relative to the plant seniority of the other employees in that department.

Each employee will have seniority standing in the plant and in the departments where he has been employed. Plant seniority will equal the employee's total length of service with the employer, dating from his first day of employment. In every department in which the employee has worked, he will have departmental seniority equal to the length of service in that department plus the length of previous service with the employer. An employee's plant seniority and his departmental seniority where he is currently employed will thus be equal.

Departmental Seniority Not Cumulative.

Under the following an employee transferring to a new department must start at the bottom of the seniority list for departmental seniority, but his plant seniority is unaffected by the transfer. Under the first, employees retain departmental seniority credit in all former departments, while under the second such credit is lost on transfer.

A

Each employee will have seniority standing in the plant and in the department where he has been employed. Plant seniority will equal the employee's total length of service with the employer, dating from his first day of employment. Departmental seniority will equal the employee's total length of service in that department.

B

Each employee will have seniority standing in the plant and in the department in which he is working. Plant seniority will equal the employee's total length of service with the employer, dating from the first day of employment. Departmental seniority will equal the employee's total length of service in the department in which he is working.

Probation Period

An employee's seniority is usually computed from the first day of his employment with an employer. Some agreements, however, require that new employees must prove their ability to perform the

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duties of the job before receiving the protection of seniority. In such cases seniority rights are withheld until completion of a trial or probationary period, after which the employee receives credit on his service record for all the time he has worked. Temporary workers are sometimes denied seniority status, although they, too, are usually granted credit for all time worked upon becoming permanent employees.

During the probation period an employer is usually free to drop the new worker without limitation by seniority rules. If the employee is retained after the probation period, however, he is presumed to have demonstrated his competence as a workman and is therefore entitled to seniority protection.

A

All employees will be considered on a temporary or trial basis for the first —— weeks of their employment. If retained after the trial period an employee becomes a member of the regular working force, with full seniority status. Seniority status, once acquired, dates from the time of hiring.

B

All employees will be considered on a temporary or trial basis for the first —— weeks of their employment in any department, whether they are new employees with the company or have transferred from another department. If retained in the department after the trial period, the employee acquires seniority status in that department, dating from the first day of the trial period.

Periods of Nonemployment

An employee will lose his seniority status under such circumstances as discharge for cause, voluntary quitting, and prolonged lay-off. Seniority can usually be retained, however, in certain periods of nonemployment such as lay-offs of not more than a stated duration, absence because of illness or accident, military service, and election to full-time union office. (See Leave of Absence, ch. 14, p. 110.)

Since a major purpose of a seniority program is to insure laid-off workers preference in reemployment when plant operations are resumed, provisions protecting the status of such employees are important parts of union agreement seniority clauses. Commonly, 12 months is the maximum period of lay-off during which an employee retains his seniority rights, although shorter periods are found in some agreements.

A few agreements give added protection to laid-off workers with unusually long service records. For example, senior workers with 5 or more years' service who are laid off during a severe depression may be exempted from general provisions governing loss of seniority and remain available for reemployment in accordance with their earned seniority.

Some unions have proposed unlimited reinstatement rights after lay-off on the grounds that an employee who has worked long enough to attain seniority rights and is laid off through no fault of his own should have preference in reemployment as long as he is available. Certain agreements of these unions provide that an employee must signify to the employer his desire to return to work at stated intervals, such as once every three months. Failure to report will result in the loss of reinstatement rights, but as long as the employee is

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available, he retains his seniority. In many agreements an employee who does not report within a few days after being recalled to work by the employer is deemed to have forfeited his seniority status. Such a rule is flexible in operation, however, and exceptions may be made if the employee has a reasonable excuse for not reporting.

A number of agreements protect the relative seniority standing of workers during short periods of lay-off by providing for the continued accrual of seniority, instead of mere retention of previously earned seniority. Under such arrangements workers temporarily off the pay roll are still considered employees of the company, and their service credit is computed from the date of hiring, without regard to intervening short-time periods of unemployment. If lay-offs and rehiring are made on the basis of strict seniority, accrual during the lay-off would result in the same relative standing of employees on the seniority roster as if there were no accrual. However, if exceptions are made to lay-off or recall on the basis of seniority, an employee may find himself displaced on the roster by an employee of less accumulated service. The same displacement will occur in the case of senior employees who leave the pay roll temporarily for military service, union duties, or illness, unless seniority credit is accumulated.

A

Seniority will be lost only in cases of voluntary quitting, discharge for cause, absence without authorization, failure to return to work within — days of recall after lay-off, sickness of more than — months, and lay-off of more than — months, failure to report to the company every — months during lay-off, or accepting employment with another company during lay-off. Employees who have 5 or more years' service credit at the time of their lay-off may be reemployed at any time without loss of accrued seniority. Seniority will continue to accrue during vacation, authorized leave without pay, sickness, if not more than — months, and the first — months of lay-off.

B

[Same as "A" except for the last two sentences is substituted:] Seniority credit will be given only for time actually worked; time spent on vacation, leave, or lay-off will not accrue for seniority purposes.

Seniority in Plant Mergers

Especially in the transportation industries, problems arise with respect to the status of employees of a company which has been bought by or merged with another company. When all the employees affected belong to the same union, it is not uncommon for the agreements to provide for the transfer of displaced employees to the company with which it is merged. Since mergers usually mean consolidations or reductions in working operations, there are not sufficient jobs for all the employees of both companies. The question arises, thereby, as to preference for available jobs.

Some agreements provide that the displaced employees shall be transferred with full seniority rights even though it may result in the lay-off of the other company's employees who have shorter terms of service. Other agreements provide that the employees of the company going out of business shall be employed by the purchasing company on the basis of their seniority and before others are employed, but shall not displace any of the company's present employees.

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A

The company agrees that all former employees of the ——— company taken over from that company by us, shall retain their seniority standing beginning with the date of the employment with said company.

B

When a railroad is acquired, a roster will be made of the conductors, giving them the date that the records of the line for which they have been working show that they entered the service. They will be allowed to remain on the line where they were employed and with the same seniority ranking that they held prior to the purchase of the property. They will be given a service date according to the records of the acquired line and will hold rights to all territory to which the line purchased is attached, and when a vacancy occurs on any part of that division, including the line purchased, they will be eligible to the position, but they cannot disturb any one on the division; neither can any one in the same capacity disturb them. A vacancy must occur, or additional service be created, when they will have the same rights as do other conductors on the entire division.

C

In the event that a company other than a hauling company, which has previously operated its own trucks, discontinues this method of operation and turns its hauling over to a hauling company, the employees of this company, working on the trucks, may transfer to the company taking the hauling and be placed at the bottom of the seniority list of that company, with first preference for all work done for their former employer.

In the event that a haul is transferred from one hauling company to another, the men employed at the company which is losing the haul may elect in accordance with their seniority rights at that company to transfer to the company receiving the haul, where they shall be placed at the bottom of the seniority list and shall have no preference in hauling other than that provided by their seniority standing at the company to which they transferred.

Seniority Status of Foremen

Employees who are promoted to foremen or supervisory positions and later return to production work sometimes accumulate seniority during their foremanship. More commonly, however, foremen or supervisors, if demoted, are credited only with their accumulated seniority at the time of their promotion.

A

Any employee who shall be made a supervisor or assistant supervisor shall not lose his or her seniority rights accumulated from the date of his or her hiring to the date he or she was made a supervisor or assistant supervisor, but during his or her supervisorship or assistant supervisorship, no seniority rights shall accrue to him or her. In the event such supervisor or assistant supervisor returns to the status of an ordinary employee, he or she shall pick up the seniority credited to him or her up to the time he or she was made a supervisor or assistant supervisor, and thereafter shall be entitled to the same rights as regards cumulative seniority as any other employee.

B

In case a foreman is demoted to the status of regular workman, he shall have the seniority determined by the date of his employment.

Demoted Foremen Not To Displace Regular Workmen.

New employees hired as foremen and later demoted, customarily hold no seniority preference over regular workmen, although in some cases they may be retained on production work during slack seasons without regard to the seniority standing of regular employees.

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Any new employee hired as a foreman shall not hold seniority over other employees in any department if he is demoted to the rank of workman. This shall not apply in slack times when it is necessary to require a foreman to serve temporarily as a workman in order to retain his services.

Seniority Lists

Union agreements often contain provisions requiring that seniority lists be posted in the plant or, as an alternative, be made available to the union. In many cases, unless an alleged error in the posted seniority list is appealed within a specified period, the list as posted becomes the recognized seniority register. Many disputes over the seniority status of individual workers are thus settled in advance of the application of seniority to a specific situation.

A

The employer will post on the bulletin boards lists showing the current seniority standing of each employee and will furnish the union copies of all such lists. Revised lists will be posted every — weeks. Any appeals from the seniority list as posted must be made within — days of the posting; otherwise, the list will be considered final.

B

The seniority lists will be open to the union and the employees for inspection at any time.

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Chapter 16

Lay-Off and Reemployment

In all but a few industries and trades a constantly recurring problem is the inability of many workers to secure continuous full-time employment throughout the year or over a period of years. Very few plants or trades are unaffected by seasonal fluctuations. Even where work has been regularized on a yearly basis, there remains the problem of unemployment or partial employment caused by general business depressions. At certain times, in certain industries, there is also unemployment due to changes in style or improvement in processes or machinery. This latter, as well as prolonged downswings in the business cycle, may lead to permanent reduction of a plant's force, at least as far as particular groups of workers are concerned. Serious seasonal fluctuations may also result in the permanent displacement of some of the workers. For those finally laid off, the union agreement can provide no permanent solution, although dismissal-wage provisions (see p. 71) offer some temporary assistance.

Workers object to the policy of regarding a lay-off as final termination of the employment relationship. Since unemployment, when it occurs, is most often due to general conditions affecting the entire industry, laid-off workers cannot easily find jobs in other establishments and therefore want assurance that they will be considered for reemployment with their former employer when conditions improve. This leads to provisions in union agreements protecting the job status of laid-off employees by providing for their rehiring, usually in reverse order to their lay-off.

A few employers have assumed the responsibility of regularizing production and workers' incomes with plans for guaranteed employment on an annual basis. Such agreements in effect prohibit lay-offs of the regular working force while the plan is in effect. In some plans of this nature the employer may lay off a certain limited proportion of the work force if his business declines severely. (See Guaranteed Employment, p. 67.) Agreements which riquire rigid work-sharing during slack seasons also prohibit lay-offs, although each worker suffers from reduced employment.

Provisions restricting the right of employers to lay off employees are rarely found in union agreements. When found, such provisions are usually designed to meet specific situations, such as the prevention of wholesale lay-offs due solely to the introduction of new types of machinery or equipment. (See ch. 23, p. 175.)

Widespread lay-offs during seasonal declines are sometimes prevented by distributing available work as evenly as possible among all the workers in the plant. Sharing the work, of course, does not increase the total labor income—it merely distributes what income there is among the entire labor force.

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Union Consultation

A large number of agreements require advance notice or consultation with the union before lay-offs are made. Some merely require the employer to post on the bulletin boards a list of lay-offs a specified number of days prior to the event. This allows the union time to study the situation and to propose methods of reducing the work force with the least hardship to individual members.

A

No reduction in staff or working hours may be undertaken by the employer without consultation with the union. The employer will notify the union —— [weeks, days] in advance of any lay-off or reduction in hours.

B

There shall be no dismissals for economy during the life of this contract except after agreement with the guild: *Provided*, Nothing herein shall prevent the publisher from making dismissals through the elimination of work now being performed.

C

Notices of all lay-offs are to be posted on the bulletin boards of each department at least —— days before going into effect.

Work Sharing

Some unions and employers have worked out plans whereby available work is distributed as evenly as possible among all the workers. These share-the-work plans have the effect of deferring lay-offs or, if production is resumed before too long a time has elapsed, of preventing lay-offs altogether. This practice permits the employer to maintain a complete staff, eliminating the necessity for locating and calling back former employees when work picks up. The junior employees do not carry the entire burden of unemployment, as in the case of lay-off according to strict seniority, but receive some income during a slack season.

Equal division of work may, however, if in effect during a long period of unemployment, reduce the income of all employees to a very low level. If such sharing of the work results in the spreading of employment to such an extent that none of those covered receives even a subsistence wage, the merits of a share-the-work plan can be seriously questioned. To obviate such a situation some union agreements provide that work shall not be shared below an established number of hours per week and that lay-offs must take care of any further reduction which might be needed. For these lay-offs the union agreement usually provides certain formulas, such as straight seniority, combination of seniority and merit, etc.

In any application of a share-the-work plan, a basic consideration is the number of workers who are covered; that is, the extent of the spread of available work. Some union agreements, for instance, provide that workers recently employed be laid off before there is any sharing of work for the remaining older employees. Others provide that the sharing-of-work plans shall be applied on an occupational basis; some on a plant-wide basis. Such variations in plans have been developed as a result of past experimentation, the reaction of the union members, as well as the response from the employers.

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The intrinsic nature of the business or the plant's operation is a fundamental factor. If there is a wide difference in skill requirements for some or all of the occupations, the share-the-work plan is likely to be either on an occupational basis or to provide certain exemptions or modifications.

Work sharing prevails only in those industries which suffer fairly regular short-time seasonal business declines, particularly the clothing industries, where style factors and consumer habits have caused an annual routine of busy seasons and slack seasons in production.

A

In case of a slack in production, all available work is to be divided equally among the regular employees in the [plant, department]. No individual worker shall be laid off because of lack of work.

B

To avoid discharge during dull seasons, all employees working under this contract shall be laid off impartially in rotation, and no longer than 6 days at a time, and no less than 1 day at a time. After a member has been laid off 6 days he shall not be laid off again until he has worked 6 days.

C

The employer shall rotate the employees and distribute the work on any basis which is neither discriminatory nor prejudicial and which basis will take into consideration ability and seniority.

City Wide Sharing of Work.

In unions covering particular craftsmen who are engaged intermittently by a number of employers, such as in the building trades or longshoring, sharing of work may be on a city-wide basis or applied through the rotation of job assignments at the hiring hall.

In time of slack periods, when there are members of the local union unable to secure employment, the working hours shall be reduced so that all the members of the local shall be given an opportunity to work, this arrangement to be made by the local business agent.

Combined Work-Sharing and Lay-Off Plans

In case of a severe seasonal depression or a downward fluctuation in the business cycle, both the employer and the employees may object to strict application of the equal division of work principle. Some agreements, therefore, provide for two steps when business falls off: First, equal division of work until hours are reduced to a specified point, commonly 24 or 32 hours a week; second, if further curtailment is necessary, lay-off of the regular employees, usually according to seniority. Occasionally, the question of when lay-offs are to begin and the method of lay-off are left to subsequent negotiation. Such plans may be applied to the plant as a whole or separately to each department or occupation.

In some agreements employees with less than a specified amount of seniority may be laid off before work sharing begins. This helps to stabilize employment for longer-service employees, but, if carried to the point where all shorter-service employees are laid off, has the effect of nullifying the principle of work sharing.

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A

In case of a slack in production, all available work is to be divided equally among all the regular employees in the [plant, department]. However, all employees with less than 12 months' service with the employer are to be laid off before work sharing begins.

B

During slack periods work shall be divided equally among all workers in the [plant, department]. So far as practical, temporary workers shall be laid off first and the work available shall be shared among the permanent workers so long as there is available 32 hours of weekly work for such permanent employees. When the amount of available work is not sufficient to afford 32 hours of weekly employment for such permanent workers then the employer shall commence lay-offs in accordance with seniority rights.

C

When there is a decrease of factory force for an extended period, the following rules shall apply:

1. Temporary employees with 3 months of service or less may be laid off without regard to seniority.
2. Employees with 3 months' but not more than 6 months' service shall be laid off according to seniority.
3. Employees with more than 6 months of service who are laid off because of a reduction of force or the elimination of the job, shall be transferred to and displace any junior employees on any job for which the laid-off employee is qualified, if a written application is made within 30 days from date of lay-off.
4. When the monthly production schedule of a department provides for less than an average of 24 hours per week, promptly after the first of the month, the working force in that department shall be reduced in accordance with the above provisions, so that the schedule will provide an average workweek of 24 hours or more for those remaining on active duty. Employees so laid off shall not be recalled until the monthly production schedule of their department will provide an average workweek of 32 hours per week for the month; and the company shall not be obliged to recall them until the production schedule of their department will provide an average workweek of 40 hours.

D

In reduction of the working force of a department, the following procedure shall be observed:

1. Probationary employees in a department shall be laid off.
2. No further reduction in the working force until the department works less than 32 hours per week.
3. The 32-hour week will be maintained by lay-offs in the department in accordance with the seniority list of that department. Operation of seniority shall be conditioned on the ability of the employee to do the job.
4. If the 32-hour week prevails for 30 days, the company will reduce the force sufficiently to raise the hours of work to the normal workweek for that department and shift. If, after a 6 months' period there are still employees who have seniority and are not back at work, then there shall again be a reduction of the hours of work to 32 per week. Should this condition prevail for 30 days the company will again reduce the force sufficiently to raise the hours of work to the normal workweek. This process of reducing the workweek to 32 hours for a 30-day period every 6 months, shall continue during the life of the agreement. Mutually acceptable exceptions may be made.

The above provisions do not apply to powerhouse operations.

Lay-off According to Seniority

Many union agreements provide that lay-offs be made on the basis of strict seniority, those with the least seniority being laid off first. There are many agreements, however, which modify the application of seniority in lay-offs. Employers may have the right to retain those they consider "exceptional" or "indispensable," although

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some agreements limit the number of "excepted" employees to a specified percentage of the working force or to certain types of jobs.

Another modification of strict seniority in lay-offs which has been included in some agreements is the exemption of union grievance committeemen or shop stewards by placing them at the top of their respective seniority lists. The advantage of this modification is the mutual interest of both union and management in preserving the continuity of the bargaining personnel. (See p. 153.)

A

In case of a slack in production, lay-offs are to be made on the basis of [plant, departmental] seniority. The last person to be hired in [the plant, each department] will be the first laid off and the person of greatest seniority in [the plant, each department] will be the last laid off.

B

In case of a slack in production, lay-offs are to be made on the basis of [plant, departmental] seniority. The last person hired in [the plant, each department] will be the first laid off and the person of greatest seniority in [the plant, each department] will be the last laid off. However, the employer may retain, without regard to seniority standing, not more than — percent of the working force in [the plant, each department]. The employer shall submit a list to the union of those it considers "necessary" employees who are to be excepted from lay-off under this provision.

Seniority Combined With Other Qualifications.

A large number of agreements permit lay-offs on the basis of seniority only after "consideration" has been given to relative skill and ability. In some agreements, seniority is given consideration only if skill and ability are relatively equal. To meet the unions' objection that "skill," "ability," "efficiency" are subjective factors which cannot always be judged impartially, some employers have adopted detailed personnel efficiency rating plans.

In a small number of agreements, the employee's place of residence, citizenship, family status or other social factors are introduced to modify the application of strict seniority in lay-off. In some cases these factors are merely to receive "consideration" along with seniority; in others, seniority is not considered unless the other factors are equal. In the latter case the practical effect of seniority is greatly curtailed.

A

In case of a slack in production, lay-offs are to be made on the basis of [plant, departmental] seniority insofar as compatible with efficiency of operation. Due consideration will be given to the competence of employees, but in general the last person hired in [the plant, each department] will be the first laid off and the person of greatest seniority in [the plant, each department] will be the last laid off.

B

In case of a slack in production, lay-offs are to be made primarily on the basis of [plant, departmental] seniority. Due consideration will be given, however, to (*a*) knowledge, training, ability, skill, and efficiency, (*b*) physical fitness, (*c*) family status—number of dependents, etc., (*d*) place of residence.

C

In case of a slack in production, lay-offs are to be made on the basis of (*a*) seniority, (*b*) knowledge, training, skill, and ability, (*c*) physical fitness, (*d*) family status—number of dependents, etc., (*e*) place of residence. Where fac-

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tors (*b*), (*c*), (*d*), and (*e*) are relatively equal, seniority will govern the choice of workers to be laid off.

"Bumping"

When business conditions cause a slack in operations, making lay-offs necessary, the management determines which jobs are to remain filled and which jobs are to be vacated. Under the "bumping" system, if a senior employee is filling a position which is to be left vacant, he may exercise his seniority to displace someone with less service than his own in a job which the management desires to keep filled. The displaced employee is either laid off, or in turn displaces some junior in seniority.

Bumping is a consequence of any type of seniority recognition, but becomes progressively limited as the base for determining seniority is restricted. In the case of departmental seniority, for instance, if a slack occurs in one department, senior employees in length of service will be laid off, while junior service employees in other departments will be kept on. Bumping is feasible only within the area of jobs which are largely interchangeable. In practice, therefore, bumping is usually permitted only when the amount of time necessary for an employee to attain full production is relatively short. Some agreements go so far as to confine bumping to departments in which the employee has formerly worked or even to those jobs which the employee has previously held.

A

Employees whose jobs are abolished or closed down temporarily due to slack in operation may exercise their plant seniority to displace employees with less plant seniority in jobs which they are qualified to perform.

B

Employees laid off from one department may exercise their departmental seniority in any department in which they have worked to displace employees with less seniority in these departments. Laid-off employees with insufficient seniority to displace anyone employed in the departments in which they have worked may exercise their plant seniority to displace employees in the [name of entrance department] with less plant seniority.

Limitations on Bumping Rights.

Some agreements limit bumping rights to employees with a specified length of service with the employer, such as 3 years or 5 years. Other agreements stipulate that an employee who displaces another must have a specified amount of service credit above that of the one displaced. Frequently, 6 months' or a year's added seniority is required in these agreements.

A

The right to displace employees with less seniority is to be confined to those employees who have served at least — months with the company.

B

No employee laid off from one department may displace employees in other departments unless he has at least — months' greater seniority than the employee he is displacing.

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Lay-Off of Apprentices

Agreements covering skilled craftsmen usually contain detailed provisions covering entrance to the trade and a program of apprentice training which may extend for as long as 6 years after entrance in employment. (See ch. 24.) Since apprentices may have greater seniority than some journeymen, special provisions are usually included in agreements to govern lay-off of apprentices.

Apprentices usually are carried on a separate seniority list and are laid off as necessary to maintain a predetermined ratio of apprentices to journeymen. To protect the jobs of regular employees, however, some agreements specifically provide that apprentices who are kept on are not to be used to fill jobs of journeymen who are laid off during slack periods. In a few cases, all apprentices or learners must be laid off before any journeymen can be laid off.

A

There will be a separate seniority list of apprentices in each craft. In the event that the working force is reduced in number so that the apprentices employed exceed the ratio prescribed in this agreement the last apprentice, or apprentices, employed will be laid off to conform with the ratio herein agreed to. No apprentice who is kept on during slack periods may be used to fill the job of a journeyman who has been laid off.

B

In case of a slack in production all apprentices will be laid off before any reduction is made in the regular working force.

Seniority in Reemployment

When seniority governs lay-offs, reemployment is usually in reverse order to lay-off, thereby providing that employees with the greatest seniority among those laid off will be the first to be reemployed. If strict seniority was not followed when the lay-offs were made, for example, if efficiency, skill, family status, age, citizenship, etc., were also applied, these same factors would automatically be considered in reemployment.

Except when seniority is recognized on a plant-wide basis, the problem of reemployment is complicated by the fact that production may not be resumed in "reverse order" to the slack in production. Certain departments which have been shut down may be kept idle temporarily while other departments resume full production, in which case junior employees would be rehired in some departments while senior employees from other departments would still be on lay-off.

Insofar as compatible with efficiency of operation employees will be reemployed in the inverse order of their lay-off; that is, the first to be reemployed will be those employees with the greatest seniority. No new employees will be hired until all former employees who desire employment have been rehired.

Reemployment Preference.

A few agreements do not accept the principle of seniority in rehiring, but provide modified job security for all former employees by granting them preference in reemployment before new employees are hired.

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Former employees will have preference for reemployment. No new employees will be hired until all former employees who desire employment have been rehired.

Loss of Reemployment Rights

Many agreements provide that employees who do not report back for work within a specified number of days after being recalled lose their reemployment rights, although exceptions are often permitted for employees who have legitimate excuses. In some agreements the employer is required to notify employees to report to work by registered mail to the addresses listed in the personnel office and the employees have the duty of notifying the employer of all changes in their home addresses.

A

Upon calling back laid-off employees, the company will notify such employees by registered mail at their last-known address not less than — days prior to the date they are requested to appear for service. Employees will keep the company informed of all changes in their addresses. Copies of all reemployment notices will be filed with the union.

Any employee who is called back to work after a lay-off and fails to report within — days, without a reasonable excuse will lose his reemployment rights and thereafter will not have employment preference over workers who have never been employed by the employer. Any excuse presented by an employee for not reporting, if not accepted by the employer, will be the subject of negotiations between the union and the employer.

B

The corporation agrees to mail notices to each person on said list on the first of January, April, July, and October of each year; those persons who return such notices within 10 days from date of mailing, indicating their desire to be kept on the list, will still be considered as applicants for employment; and those persons who do not return the notices will be dropped from the list. This same practice will be followed, until such time as the persons have been on the list and continuously signified their desire for reemployment for 1 year after separation, at which time their names will be dropped from the list.

C

An employee who is laid off shall reregister at the employment office once every month. This reregistration will be made out in triplicate, the company to keep one copy, the employee to keep one, and the third copy shall be submitted to the union office by the employee. Failure to reregister will forfeit seniority.

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Chapter 17

Promotion, Transfer, and Assignments

In some industries matters of promotion, transfer, and assignment are not major problems. In other industries there are clearly demarcated lines of promotional opportunities and the union agreements frequently specify the manner in which promotions shall be made. Also, particularly in transportation industries, the question of assignments is a major one, since the assignment affects hours and earnings as well as the location and convenience of daily employment. In these agreements detailed provisions governing the method of assignment are common.

Seniority in Promotions

Many agreements which apply seniority to reductions in force and reemployment, do not, however, recognize an employee's length of service to be the primary consideration when promotions are made. The strict application of seniority in promotions is not frequent in industry as a whole, although it is the general practice in such fields of employment as railroad and city passenger transportation. Under these agreements the oldest employee in point of service is given first opportunity for the promotional vacancy. If, after a fair trial, he cannot qualify, or does not want the job, the next in line is eligible. Employees who fail to qualify are protected against loss of accumulated seniority rights. Usually, it is provided that they may return to their former positions without prejudice and resume their former seniority standing.

In other agreements less consideration is given to seniority and more emphasis is placed on employees' relative skill and ability; that is, seniority governs the choice only between employees whose skill and ability are relatively equal.

A

Promotions to all vacancies and new positions created during the term of this agreement will be made on the basis of [plant, departmental] seniority. The oldest employee in point of service will be given promotion unless such employee is deemed incapable of filling the job, such decision to be made only on the basis of a fair trial of at least —— months on the job. Failing to qualify, employees shall retain all their seniority and may return to their former positions. Employees declining promotion or declining to bid for promotion opportunities shall not lose their seniority.

B

Promotion to all vacancies and new positions created during the term of this agreement will be made from the group of present employees on the basis of ability and [plant, departmental] seniority. Among employees whose ability is relatively equal, seniority will determine the choice for promotion.

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C

In filling vacancies in higher classifications, the employer accepts the principle of exercising due regard for length of service, taking into account ability, efficiency, fitness for work, character, and number of dependents. However, this will not interfere with the right of the employer in his uncontrolled discretion to promote any individual for unusually meritorious service or exceptional ability.

Union Participation in Promotion Assignments.

A few agreements provide that the employer and union together shall work out a plan of promotion which shall be followed thereafter.

A promotion schedule will be agreed upon between the employer and the union showing the steps of promotion employees will follow in [the plant, each department]. The promotion schedule will be posted on the bulletin boards and copies will be furnished to the union.

Exceptions to Strict Seniority in Promotions.

When strict seniority is applied in selecting employees for promotions, the employer frequently is given the right to make exceptions—either to fill certain specified jobs or a certain percentage of future vacancies from outside the present working force. In some cases the employer must justify these exceptions to the union, by showing that special skill or training is necessary and that no present employees are qualified. Particularly in the case of supervisory positions, the employer is given free choice of candidates without regard to seniority.

A

In order to meet special requirements, the employer may fill not more than — percent of the vacancies and new positions arising during this agreement from outside the present group of employees.

B

Seniority will not apply in the case of promotions to foremen and supervisory postions, which the employer may fill in his uncontrolled discretion.

C

When an operation requires specially trained persons, vacancies and new positions may be filled from outside the present group of employees. However, regular employees will be given an opportunity to learn at all times.

Promotion Preference

Some agreements, while not specifying seniority as the basis upon which promotions are made, outline in general the procedure to be followed. Most common of these provisions is the simple statement that present employees will be given a chance to apply for all vacancies which occur. Another variation states that the employer is to consult the union before bringing in a new employee to fill a vacancy. The union may then present a list of possible candidates for the job from among the present working force. While this does not establish any means of choosing employees for promotion, it does offer some protection against new workers being brought in to fill higher-paid jobs for which present employees may be eligible.

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Preference for promotion to all vacancies and new positions created during the term of this agreement will be given to present employees. The employer will consult with the union before filling any vacancy from outside the present group of employees.

Preference to Union Members.

In some cases, union members are given preference in promotions. Such a clause is usually a part of a broader "preferential shop" provision under which union members are granted preference in various phases of the employment relationship. (See Union Status, ch. 2, p. 22.)

Preference for promotions to all vacancies and new positions created during the term of this agreement will be given to present employees who are members of the union.

Notices of Vacancies and Bidding

An important part of any promotions program is the announcement of vacancies in advance so that all employees who want the job and consider themselves eligible may apply or bid for the job. In some cases these announcements must also go to the union, thus enabling it to keep a close check on the number of vacancies and the manner in which they are filled. Less frequently, the name of the employee getting the job must be posted and also sent to the union. On the railroads, jobs are "bulletined" and applications received. The senior employee who bids for the job receives an opportunity to qualify.

A

All vacancies and new assignments will be advertised by written notice on the bulletin board. Such notices will describe the vacancy or new assignment and the hour and date bids close. The bidding period will be —— days. At the end of the bidding period the vacancy or new assignment will be given to the employee with the greatest seniority who has made written application therefor. (The last sentence may be modified to provide that seniority of the applicants is to be "considered.")

B

All new positions and vacancies will be bulletined within 3 days after being created or becoming vacant. The bulletin will be posted on bulletin boards in each office and will show location, title and description of the duties, assigned hours, days, meal period, and rate of pay.

Employees desiring such positions will file their applications with the official designated on the bulletin and the local chairman within 5 days from date of bulletin, and successful applicant will be assigned within 5 days thereafter. Assignment will be posted in the same manner and places as the original bulletin.

Senior bidders, when denied bulletined positions or refused the right to exercise seniority over junior employees, will be given the reason therefor, in writing, when requested by the employee or his representative, within 7 days of receipt of request.

C

Wherever a vacancy arises or a new position is created the employer will post a notice of the vacancy or new position on the bulletin boards and will furnish copies of such notices to the union. No vacancy or new position may be filled until — days after the notice has been posted. Within — days after the position has been filled the name of the employee promoted will be posted on the bulletin boards by the employer.

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Transfer and Assignment

The question of transfers most often arises in connection with assignments to day and night shifts. Employees may wish to transfer to or from a night shift and union agreements frequently state the principles to govern such requests. In addition, an employee may wish to transfer from one department to another—because of better promotional opportunities, more regular employment, or a variety of personal reasons. Many agreements facilitate such transfers by allowing employees to file application for appropriate vacancies when they occur. If two or more employees are being considered for transfer to the same vacancy, some agreements require that the position be given to the employee with the greatest seniority.

An important consideration involved in the right of transfer is the manner in which seniority is computed within the plant. If seniority is restricted to departments, employees will hesitate to transfer since this means a complete loss of accumulated service credit. In some agreements an employee is allowed to retain his service credit earned in his former department while starting at the bottom of the seniority list in the new department. If lay-offs occur in the new department, the employee may "bump" back to his old department on the basis of seniority in that department.

Still other agreements allow employees to carry accumulated service credit to the new department, which gives the transferred employee maximum protection against lay-off since his total length of service with the company is recognized at the expense, of course, of employees with longer service in the department, but shorter with the company. (See Plant-Wide and Departmental Seniority, ch. 15, p. 118.)

A

Employees wishing to transfer from one [department, shift] to another may make application in writing to the company's personnel officer. The employees will be placed on a list in the order of their plant seniority and will be transferred to vacancies as they arise in accordance with their plant seniority standing. Transferred employees will retain seniority in their old department for — months. If retained in the new department after that time, all accumulated seniority will be transferred to the new department.

B

[Same as above except substitute for last sentence:] After a transfer is effected, an employee who is not satisfied may not return to his former department except at the bottom of the line of promotion.

Transfers at Option of Employer.

The right of the employer to transfer workers to other departments at his discretion for reasons of plant efficiency is occasionally mentioned in agreements. Only a few flatly prohibit all transfers against the employee's wishes. Some agreements provide that the transfer must be without prejudice to the employee, and must not involve loss of seniority or lowered earnings.

A

There will be no transfers without the consent of the employees involved.

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B

The employer may, in his discretion, transfer employees between jobs, shifts, departments, divisions, or plants. Such transfers will be without prejudice and will take into consideration seniority and the wishes of the employees involved. Employees may appeal all transfers through regular grievance machinery. No employee may be required to accept a lower-paid position.

Assignment to Other Duties.

Provisions are sometimes found in agreements which restrict an employer in requiring an employee to work on jobs other than the one to which he is regularly assigned. Such provisions may be inserted to prevent the employee from being given additional tasks to perform without a corresponding wage increase, to prevent the employees from being required to perform work of a higher classification at their regular wage rates, to prevent elimination of jobs or to preserve the employee's skill. In some circumstances these provisions also have the effect of spreading the work; that is, the employer is prohibited from requiring, in dull seasons, that the available work be performed by a small number of employees instead of by the full crew working part time.

A

No employee shall be required to perform duties of other employees without the consent of the executive shop committee.

B

Operators shall perform none but telegraphic duties except on specific arrangement between the employer and the employee, subject to the approval of the union.

C

Employees shall comply with the foreman's request to perform work not directly connected with their regular work. If a foreman makes an unfair request the matter shall be referred to the adjustment process.

Shift and Run Assignments.

In streetcar and bus agreements the method of making shift and run assignments is usually given in detail. Nearly all of the agreements specify that the assignments must be opened to reselection at regular intervals, usually 3 or 4 times a year. Frequently it is required that an additional selection of runs be held whenever changes in schedules are contemplated, or whenever permanent vacancies occur on any runs. (See also Choice of Shifts, p. 101.)

[Shift, routes, and runs] shall be chosen every — months. At such other times as operating conditions require, additional picks will be made. The choice of [shifts, routes, runs] will be in accordance with the seniority rights of employees in the [barn where they report, plant, company]. The employees with greatest seniority will be given the first choice of runs and so on down through the list.

Schedules showing the [runs, routes, shifts] contemplated and the hours and minutes each one works and pays will be posted at least — hours before any of the men will be required to pick. If any employee fails to pick within the specified time, the [foreman, superintendent] will be empowered to sign him up on the best [run, shift, route] which may be open.

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Chapter 18

Discharge and Quits

Some agreements do not list the specific grounds for discharge, but merely have a general provision authorizing discharge for any "just" or "reasonable" cause. In such instances the union may appeal discharges with which it disagrees through the regular grievance machinery.

A few agreements specifically affirm an employer's "exclusive" right to hire and fire. The practical effect of such a provision varies according to the bargaining position of the union signing the agreement. Unless specifically stated to the contrary, the discharged individual or the union retains the right to appeal the case as a grievance. A provision of this type is actually a declaration of policy on the part of the union that it will not interfere with the efficient operation of the plant by insisting that inefficient employees be retained on the pay roll. Since this is generally an understood policy, specific mention in the agreement usually is not considered necessary.

A frequent source of dispute in the past has been the discharge of employees for union activity or union membership. The Federal and State Labor Relations Acts, where applicable, prohibit such discharges. However, as indicated on page 24, many agreements contain clauses forbidding discharge or other forms of discrimination because of union membership and activity.

Cause for Discharge

To prevent arbitrary and unfair discharge, agreements usually specify the permissible reasons for discharge—such as dishonesty, insubordination, incompetency, drunkenness, violation of the agreement, participation in unauthorized work stoppages, and failure to return to work after a lay-off within a specified time after recall. Many agreements specifically provide that absence because of illness or injury shall not be justifiable cause for discharge. At times, the violation of shop rules and regulations is deemed sufficient cause for discharge, when such rules are posted in a conspicuous location or distributed to the employees in a handbook.

A

No employee may be discharged except for gross neglect of duty, gross inefficiency, drinking during hours, theft of company property.

No employee shall be discharged because of absence due to illness or for physical injuries incurred in the course of employment.

B

No employee may be discharged except for willful violation of shop rules. Such rules will be posted on bulletin boards throughout the plant. Any modification of existing rules must be discussed with the union and approved before going into effect.

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Discharge for Inefficiency.

No agreements prohibit discharge of employees on general grounds of inefficiency. However, some agreements provide for transfer of such employees to less difficult jobs. Others sanction dismissal for failure to meet specified standards of performance on the job.

A

The works industrial relations department will endeavor to find more suitable work for an employee to be released due to incompetency, provided the employee is not on a probationary period. If more suitable work is not available, the release will be made.

B

If a weaver does not produce at 75 percent efficiency, he shall be replaced after due collaboration with the union. The company has the right to discharge a worker not making the minimum of his group after consultation with the shop committee.

C

The company is to receive in return performance which earns 5 percent above the standard established. . . . If any employee or group of employees does not equal such performance for a period of 2 consecutive weeks, the company may, at its option, transfer or discharge any employee who in its opinion is responsible.

D

If any group or department does not equal standard performance, as established by the production engineering department, for a period of 3 continuous weeks, then the company may, at its option, transfer or discharge any employee or employees in such group or department who, in its opinion, is or are responsible for or contribute to the failure of said group or department to meet the "standard performance" of 100 percent; providing the failure to reach such "standard performance" does not result from acts or omissions of the company, such as break-downs, bad materials, and shortage of work.

Probational and Temporary Employees

Protections against discharge are usually not provided for seasonal, temporary, casual, and probationary employees. In the building industry, where workers change employers frequently and are accustomed to being hired on a short-time basis, there are usually no restrictions on discharge in the agreements. On the contrary, a considerable number of building-trades agreements specifically affirm the employer's right to discharge without limitation, although a few restrict the discharge of a union steward by requiring that he be retained for the duration of the job. When the agreement does not provide to the contrary, however, the union may take up a grievance case for such workers.

A

There shall be a trial period of — week[s] in which to judge the competency of the worker to do the work. During this period, the employer may discharge the worker at any time, and his right to do so shall not be questioned by the union.

B

(Building Trades)

All workmen are at liberty to work or cease work for whomever they see fit, and employers are at liberty to employ or discharge whomsoever they see fit

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in accordance with the terms of this contract. In no case shall the steward be discharged because he has acted as steward and followed the working rules as prescribed in this agreement.

Advance Notice of Discharge

Agreements often require the giving of advance notice of discharge to the individual worker or to the union. The period between the notice and the effective date of discharge is utilized by the union to investigate the case and enter a protest if it believes such action necessary. In some agreements the required notice includes at least one and sometimes two warnings to the employee prior to actual discharge. This is particularly true in cases of discharge for incompetence or minor infractions of shop rules. If the offense is serious, such as dishonesty or gross misconduct, most agreements allow immediate separation from employment without warning or advance notice.

The period of notice varies, ranging from 24 hours to 2 weeks. Customarily a 1-week notice is required, although the period is extended if warning notices are specified in the agreement. In some agreements, the employer is given the option of paying the discharged employee the amount he would have earned in lieu of the required notice period.

A

An employee shall be given written notice of deficiency and warning that he may be discharged for a repeated offense. A copy of said notice and warning shall be given to the employee's shop steward. No employee will be discharged without — days' advance notice in writing to the employee and to the union, stating the reasons for the discharge. Such notice will be sent to the employee by registered mail.

B

No employee will be discharged without — days' advance notice to the employee, stating the reasons for the discharge: *Provided, however,* Drunkenness, disorderly conduct on premises, and dishonesty shall be cause for discharge without notice. ——— days' pay may be given in lieu of notice.

Appeal of Discharge

Many agreements provide a special procedure to hasten the adjustment of disputed discharge cases. Time limits are more frequently specified for settling discharge cases than for other grievances. In many cases, if the union does not appeal the discharge within a certain time, the company has the right to refuse to reconsider the action. Some provide that if the discharge is not settled within a certain time limit, the case must go immediately to arbitration. Other agreements provide that some part of the usual grievance procedure may be omitted in discharge cases, for instance, some or all of the steps in joint negotiations may be eliminated, with more direct resort to impartial arbitration.

Definite Time Limit for Appeal.

A

In case of a discharge to which the union takes exception, a complaint must be filed with the employer within — days after the notice of discharge is received by the employee. The employer will begin negotiations on the discharge with the union immediately. No discharge will become effective until the case has been settled including, if necessary, appeal to arbitration.

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In the adjustment of disputes between the parties hereto, complaints with respect to discharge of workers shall have precedence over all other cases before the impartial chairman and decisions on such complaints shall be rendered within 48 hours after submission to the impartial chairman, unless the time is extended by mutual consent.

B

If an employee feels that he has been unjustly discharged, he shall have the right to appeal to the committee hereinabove mentioned. Such appeal must be filed in writing by the union within 4 days after the date of notification of discharge, and unless so filed the right of appeal is lost.

No Time Limit for Appeal.

A

No worker shall be discharged without sufficient cause or reason, and until an opportunity has been given for investigation by the union as to the sufficiency of the cause or reason for such discharge; but a worker may be suspended for drunkenness or dishonesty pending investigation. In the event of a disagreement, the controversy shall be submitted to arbitration.

B

The union may appeal any discharge through the regular grievance procedure, including arbitration.

Appeal of Discharge in Railroad Agreements.

Most railroad agreements provide for a formal hearing, including written notice of the charges to the employee and an opportunity to hear the evidence and present witnesses. Appeal to higher company officials is also provided in most of these agreements.

An employee charged with an offense shall be furnished with a letter, stating in full the precise charge, at the time the charge is made.

No charge shall be made that involves any matters of which the carrier has had knowledge for 30 days or more.

The accused will be permitted to attend the investigation, hear all evidence submitted, and be represented by fellow employees of his own selection. Within 5 days after the investigation closes (the investigation is not considered closed until the official receives approval of the head of the department) the proper offices shall render a decision and advise the accused in writing of the penalty imposed. If the decision is unsatisfactory, the accused, through his representative, will have the right of appeal according to the procedure adopted for the purpose. In case of appeal a full copy of the record made at the hearing will be furnished. In the event the charges are not proved, the accused will be promptly restored to the service with full rights and paid full wages for any time lost as a result of the charge for investigation.

Investigation shall be held, so far as possible, at the home terminal of employees involved, and at such time as to cause employees a minimum loss of rest or time. When necessary to secure presence of witnesses or representatives not immediately available, reasonable postponement at the request of either the company or employee may be had, but in any event, such investigation shall be held within 30 days of the date of notice.

Back Pay on Reinstatement

Reinstatement with full back pay after a discharge is withdrawn is the common practice. Occasionally, there is a limitation on the amount of back pay the worker may receive.

A

If upon appeal any discharge shall be found to be unfair or discriminatory, the employee will be immediately reinstated to his regular job with seniority rights unimpaired at his regular rate of pay and will be given back pay at his regular rate for all time lost due to the discharge.

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B

The company further agrees that in the event any employee or employees may have been discharged or suspended and later found not at fault, and that the charges have been incorrectly made, such employee or employees shall be paid for the time lost and reinstated to their former seniority rights and position. Investigation for violation of rules or misconduct will be made immediately, without loss of time or pay to any employee or employees engaged in making such investigation, but not the discharged employee, except as above set forth.

C

In the case of an employee discharged without proper cause, wages shall be retroactive from the date of discharge and the board shall make its decision within a period of 4 weeks. Payment of retroactive wages shall not exceed an aggregate of — weeks.

Sole Right of Employer to Discharge

Relatively few agreements grant the employer an unrestricted right to discharge a worker at will. Even where the employer retains this right, the discharged employee may appeal his case through the regular grievance procedure.

The management of the plant, the direction of the working force, and the right to hire and discharge are vested exclusively in the employer, providing the exercise of this right does not violate any of the terms of this agreement.

Suspension

Suspension, a disciplinary measure less harsh than discharge, is provided for in a few agreements. This practice has been established by custom in many plants, even though the agreement makes no reference to suspensions. In some cases suspension is a form of warning, which must be used once or twice before discharge, thus giving the employee a chance to remedy his fault before final separation from the employer's service.

A

Employees may be suspended for 1 day, but before further suspension or discharge the employee and local union president will be notified in writing and a hearing held to determine the suspension or discharge.

B

No employees may be discharged until they have been warned at least — weeks prior to the discharge that repetition of the offense will subject them to discharge. Such warnings may take the form of suspension from the pay roll for not more than — hours.

Quits

If a worker quits his job without notice, efficient and full production may be impossible until a replacement is secured. Consequently a number of agreements require a specified period of advance notice from the employee who is leaving. Such a provision nearly always accompanies those that require advance notice of discharge or lay-off on the part of the employer. A concession from the employees is thus balanced by a concession from the employer. In some agreements, the employer may waive the requirement for specified individuals.

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The period of notice for quitting varies, but commonly 1 week is specified.

A

It is agreed by the union that any employee wishing to quit his position must give his employer (and the union) — days' notice. However, failure on the part of an individual employee to give notice shall not be considered a breach of the agreement.

B

Any employee who desires to resign shall, at the option of the employer, give — days' notice of his intention.

C

When a member of the union desires to terminate his employment he shall notify the employer and the secretary of the union shall make every effort to fill the vacancy without interruption to the service of the employer.

D

The union agrees that its members shall not leave the services of the employer until sufficient notice to the foreman of the department shall have enabled him to fill the vacancy without interruption to this service.

Exception to Notice Requirement.

According to certain agreements, employees may leave without notice if an employer is unfair, abusive, violates the agreement, or fails to pay full wages on time.

A

The union agrees that such of its members as are employed by the week shall give the employer — weeks' notice in case they desire to leave the employment of the employer, except in the case of nonpayment of salaries when due, which shall be sufficient cause for immediate cancelation of relations.

B

Should any employee fail to give the required notice of intention to resign, the union pledges itself, at the request of the employer, to discipline such member as its constitution and bylaws provide. However, an employee may resign without notice in case he has been subjected to unfair or abusive treatment by his employer, or in case his employer has violated any provision of the agreement in dealing with that particular employee.

Penalties for Failure to Give Notice.

Failure to give the required notice of intention to quit may subject an employee to a penalty and even suspension by the union, as well as loss of his reemployment rights. If he quits in the middle of his shift, the agreement may stipulate that he shall not be paid for the part of the shift worked.

A

Should any employee fail to give the required notice of intention to resign, he shall be fined or suspended or both by the union, such fine to be used to reimburse any reasonable expense incurred by the employer in covering the position during the term of notice. Such employee will have no reemployment rights with the employer.

B

Employees who quit work in the middle of a shift will not receive pay for the part of the shift worked.

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C

Any member who is an employee of company who shall leave his or her station before completing the shift shall be fined 1 day's pay, or such portion of pay as is due an employee who has worked part of 1 day, and such fine shall be remitted to company.

Pay and Other Benefits Due Resigned Employee.

Many agreements provide that wages due an employee when he quits with proper notice must be paid immediately. Accrued vacation pay, pension fund, and other benefits may become due upon quitting. Some agreements provide that an employee leaving the service of the company shall receive upon request a written statement testifying as to his character and service and reasons for leaving.

A

Employees quitting a job must be paid in cash before leaving the shop.

B

In the event an employee shall quit his employment, his wages shall become due and payable not later than — hours thereafter, unless the employee has given — hours previous notice of his intention to quit, in which case the employee shall be entitled to his wages at the time of quitting.

C

Any employee who voluntarily leaves the employer's service having theretofore complied with the terms of this agreement shall be entitled to receive from the employer all accrued benefits, including dismissal pay fund, pension fund, accrued vacation pay, and (other).

D

When an employee leaves the company's service he shall be given at his request a statement of reference as to his character and services.

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Chapter 19

Grievance Adjustment

The signing of an agreement by an employer and union automatically removes some of the major causes of conflict during the time the agreement is in effect. The matter of union recognition has been settled and questions of basic wages, hours, and working rules have been agreed upon. The establishment of such a contractual relationship, however, does not entirely remove the possibility of disputes and grievances arising.

Practically all union agreements now in effect make some provision for the adjustment of grievances, misunderstandings, and disputes which arise in the day-to-dav working relationship of employers and workers. Experience with collective bargaining has led to a general acceptance of three essentials for the adjustment of disputes which arise under an employer-union agreement: (1) Union-management negotiations, beginning with the foreman in charge of the shop or department where the dispute originates and proceeding up to the highest officials of the company; (2) appeal, if such negotiations fail to secure an adjustment, to an impartial, outside agency or individual; and (3) restriction on strikes and lock-outs until other means of settling the dispute have been exhausted.

This chapter deals with the first of these aspects of disputes and their adjustment—that is, the machinery and procedure for settling grievances and disputes within the confines of the shop or by the parties directly concerned. Unsettled disputes referred to outside arbitration and strike restrictive clauses are discussed in following chapters.

Shop Committees

The most common procedure is for the workers in a shop, or in each department of a large plant, to elect one of the plant employees as shop chairman or steward, who acts as their representative in the initial handling of a grievance. The chairman or steward may function with a shop committee, also directly elected by the employees whom the committee is to represent. In large plants this shop committee is composed of the shop chairmen elected from the various departments. Occasionally the shop officers may be appointed by the local union rather than elected by those members of the local who work in the particular shop.

The shop chairmen and shop committeemen remain employees of the company. In some plants they are given an allotted amount of time with no loss of pay to perform their duty of representing the employees. Elsewhere, the union may compensate the shop representatives for time lost.

The shop representatives may be required to receive instructions from the membership before taking any action. Among the printers,

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for example, meetings of all the union members in the shop are held frequently to discuss grievances and instruct the worker representatives. In other cases, the shop committee may proceed without consulting the membership in advance.

Several unions have instituted educational programs to instruct the union representatives in grievance procedure and to provide a means of exchanging ideas and experiences.

A

The employee members of the union shall, within — days following the signing of this agreement, elect — employees to be a plant committee.

B

The union agrees to designate various committees as duly accredited representatives and to furnish a complete list of such to the company. No one shall be eligible to serve as a committeeman unless he is an employee and until his name has been placed on the seniority list and he is working in the plant.

C

The union shall appoint one of its members employed by the company on the seniority list, to act as shop steward and the company shall be notified of such appointment.

Business Agent

In building construction and a few other trades, the shop chairman or steward performs a less important function than is usually the case in factories. Although he may handle some negotiations with the foreman, the major burden of enforcing the agreement falls upon the business agent. In some instances the shop steward may be merely the medium through which the business agent keeps in close touch with the job and is informed of disputes as they arise.

Although the shop chairman is responsible in the shop for securing compliance with the terms of the union agreement and adjusting disputes, the business agent has this responsibility for all the plants or jobs covered by the union's agreements throughout the city. He keeps in touch with the work of the shop chairmen and handles grievances not settled by them. The business agent is a paid, full-time officer elected by the members of the local union or appointed by a designated union official. He is not an employee of any of the workplaces covered by the agreement, but is usually experienced in the industry through previous employment.

Access to Shop or Workplace.

In order to function, the business agent must be able to enter the plants under his jurisdiction, during working hours, and check up on working conditions at first hand. He may be allowed to move about freely in the shop or on the job, discussing with the members the observance of the agreement provisions or any disputes which have arisen, but in some cases his activities are limited to discussions with the shop chairman or shop-committee members. In practice or by specific provision in the agreement, his visits are timed so as not to interfere with production. Some agreements specify that the business agent may go through the shop only when accompanied by a company representative or only after working hours, unless special arrangements are made.

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A

The business agent shall be permitted to enter the building during working hours to interview the shop steward or a member working on the job. The business agent shall not interfere with the progress of the work but shall call the attention of the superintendent or foreman to any violation of this agreement.

B

The company shall admit to its manufacturing plants any authorized representative or representatives of the union for the purpose of discussing and investigating grievances of union members; provided that not more than two such representatives shall be admitted on the premises at any one time; and provided that such activities do not result in loss of working time to employees.

C

The authorized representatives of the union shall have access to the work rooms of the employer at all times and shall enter same by way of the office. It is understood that the employer will not refuse admittance into the plant of any such union representative. The employer may accompany the union official if the employer so desires.

D

Access to the plant by any union representative shall be allowed at any time outside of working hours. At other times it shall be through arrangement with the management.

Joint Committees

Joint employer-union committees for the adjustment of disputes are provided for in many agreements. By the appointment of an impartial member such committees become arbitration committees (see ch. 20), although an effort is usually made to settle the case prior to calling in any outside party. The large majority of these committees are selected only when the need arises to discuss a particular dispute.

Union agreements with employers' associations often establish joint committees on a continuing basis, to function throughout the life of the agreement. When the agreement covers more than a single city, joint machinery may function over a wide area and will assume major importance in the industry, such as for example, in coal mining, pottery, and glassware. Both branches of the coal industry make provision for permanent boards of conciliation, which have research and administrative functions in addition to that of settling disputes arising under the agreement. An agreement in the paper industry establishes a joint committee for the northwest region. The National Railroad Adjustment Board, established by Federal statute in 1934, replaced about 300 local joint committees in railroad transportation.

Highly developed joint machinery is found in the garment industry, in which bipartisan committees in the various producing centers undertake administrative functions under the agreements. Because of the nature of the industry, characterized by seasonal fluctuations, style changes, complex piece-rate structures, and contracting, the day-today settling of these problems is necessary to insure a smoothly functioning employer-union relationship. Activities of the joint committees include market regulation, supervising the settling of piece rates, and regulation of the jobber-contractor problem, according to rules laid down in the union agreement.

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Permanent Joint Boards.

A

All complaints, disputes, or grievances arising between the union and an employer who is a member of the association shall be referred to a joint board consisting of — representatives of the union and — representatives of the association. The joint board will meet at least —— each month for the consideration of such disputes. All decisions of the joint board will be final and binding on both parties.

B

Disputes shall first be taken up between the employer and the local union involved. Failing adjustment by these parties the dispute shall be referred to the joint State committees, and failing adjustment by these parties, the dispute shall be referred to the joint area committees. The decision as to adjustment of the dispute shall be retroactive. There shall be no strike or lock-out or tie-up except upon the failure of the joint area committees to agree upon the adjustment of a dispute.

C

The operators and the unions shall each create a permanent area committee for the trade area of [name of geographical area]. It shall be the function of these committees to help adjust disputes which cannot be settled between the employer and the local union and to formulate supplementary rules concerning operating practices as related to labor conditions where the need may arise through the practical application of this agreement. The area committees shall create the necessary subcommittees to assume prompt adjustment of all disputes.

Specially Appointed Boards.

In the event of a dispute between the union and an employer which the parties are unable to settle between them, the union and the employer will each appoint — representatives to a joint board which will investigate the dispute and render a decision. All decisions of the joint board will be final and binding on both parties.

Negotiating Procedure

The employee's immediate supervisor, whether foreman or department superintendent or manager, is ordinarily the first negotiator on behalf of the employer in dispute negotiations with the union. In small establishments, the owner himself may handle the initial negotiations. The role of the immediate supervisor is an important one in the adjustment process since the attitude of the foreman toward the union and his experience in union negotiations often determine the number of grievances that go to higher company officials on appeal.

In large industrial concerns there are a number of company officials who are in turn responsible for dealing with the union in the matter of grievances. These include the foreman, the department superintendent, division superintendent, and the plant manager. Personnel officers, where they exist usually enter into the picture when appeal is taken beyond the foreman, although in some instances the personnel office is involved only after negotiations with departmental officials have failed to secure a settlement. A number of agreements authorize appeals to the head office of a large corporation, if a dispute is not settled with the officials of a local plant, but some do not provide for negotiations beyond the plant management.

An employee with a grievance generally goes directly to his union representative, who proceeds to negotiate with the foreman. By the terms of some agreements the employee must take up an individual grievance with his foreman before bringing it to the union representative. Most unions prefer to be a party to the negotiating procedure

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from the start, in order to insure enforcement of the agreement and to protect an employee who might hesitate to approach his foreman directly.

Appeal of a dispute to higher company officials may be handled by the officers of the local union, or provision may be made for the active participation of the regional or national officers of the union in the final stages of the joint negotiations. Union locals organized on a city-wide basis, or including many small workplaces in a given area, ordinarily settle their grievances without reference to representatives of the national office of the union, the business agent dealing with the proper officials of the companies.

On the other hand, unions organized in plants of large industrial corporations often reserve the higher stages of grievance appeals to outside regional or national representatives of the union. This may be done to take advantage of the more skillful negotiating ability of the higher union officials or because the physical location of the corporation's head office, removed from the site of production, makes it difficult for local union leaders to handle negotiations. Also, when a grievance case reaches the highest company officials, the decision may involve an important principle of union-management relations, applicable to more union locals than the one originally involved in the dispute.

Multiplant Corporations.

A

All disputes or grievances will first be taken up between the shop steward of the department in which the dispute originated and the foreman in charge.

All disputes which the foreman is unable to settle, or appeals from the foreman's decision, will be submitted by the shop committee to the personnel director.

Disputes not settled between local union officials and local plant officials will be referred to a conference committee consisting of international representatives of the union and highest officers of the corporation with authority regarding the corporation's labor policy. Disputes not settled by the committee shall be referred to arbitration.

B

All disputes or grievances will first be taken up either between the employee involved or, at the option of the employee, the shop steward of the department in which the dispute originated and the foreman in charge. All disputes which the foreman is unable to settle or appeals from the foreman's decision will be submitted by the shop committee to the plant manager. Disputes not settled by the highest plant official and the shop committee will be referred to arbitration.

C

Should any difference arise between the company and the union, or between the company and any employee who is a member of the union, regarding the meaning or application of the provisions of this agreement, or any of them, there shall be no suspension of work on the part of the employer or employee on account of such difference; but, instead an earnest effort shall be made promptly to adjust such difference by negotiation. The steps to be taken successively in such negotiation shall be as follows:

(1) Between the aggrieved employee who is a member of the union and his foreman.

(2) Between the aggrieved employee, a member of the grievance committee designated by the union, and the foreman or head of the employee's department. At the discretion of the manager of the plant the business representative of the union may be a party to this step of the negotiation.

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(3) Between a member or members of the grievance committee designated by the union and the manager of the plant.

(4) Between representatives of the national organization of the union and executive officers of the company.

Single Plant Companies.

A

All disputes and grievances will first be taken up between the shop steward and the foreman in charge. Disputes which the foreman is unable to settle or appeals from the foreman's decisions will be taken up between the union and the employer. Disputes not settled at this point will be submitted to the joint conference board.

B

Any employee having a complaint in connection with his or her work shall, either in company with or through his or her department representative, endeavor to settle the dispute with the department foreman; that failing, the grievance shall be referred to the plant superintendent. If a satisfactory settlement is not reached in this manner, the grievance shall be referred to the general negotiating committee who shall in turn negotiate with the general manager for final disposition of the complaint.

Joint Craft Negotiations.

In plants where several crafts are working, disputes affecting a particular craft are generally first taken up by a committee representing the particular craft workers involved, as in the following:

Craft grievances shall be first handled by a craft committee with the craft foreman. On failure to adjust the grievance it may be referred to the metal trades committee for handling with the plant management. General grievances (those affecting all employees) shall be handled by the metal trades committee with the plant management.

Written Notice of Grievance

At present, few agreements require that the initial presentation of a grievance be made in writing, since most unions and employers prefer to maintain flexibility in grievance claims during the early stages of negotiations. In addition, some unions feel that the requirement of presenting grievances in writing would unduly discourage employees from bringing them to the attention of the union. In the larger industrial concerns, where grievances may be appealed to a number of higher plant and company officials, grievance claims and negotiations, beyond the foreman stage, are usually reduced to writing. This permits higher company officials to have a clearer understanding of the negotiations preceding the appeal and also serves to eliminate misunderstandings and disputes over the exact nature and disposition of a grievance.

A

Should an employee believe that he has been unjustly dealt with, the case shall be taken to the foreman or shop superintendent in their respective order by him or by the union committee. If the results be unsatisfactory, the union committee shall have the right to appeal in writing to the higher officials designated to handle such matters in their respective order.

B

All grievances or disputes brought by the union to the company officials for adjustment will be submitted in writing at least 24 hours prior to the meeting with these officials to discuss the case. Decisions of company officials regarding these disputes will likewise be submitted in writing to the unions.

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C

All complaints, disputes, or grievances between the parties hereto involving questions of interpretation or application of any clause of this agreement, or any acts, conduct, or relations between the parties of their respective members, directly or indirectly, shall be submitted in writing by the party hereto claiming to be aggrieved to the other party hereto, and the manager of the association and the manager of the union, or their deputies, shall in the first instance jointly investigate such complaints, grievances, or disputes and attempt an adjustment. Decisions reached by the managers or their deputies shall be binding on the parties hereto.

Time Limits for Handling Grievances

Time limits within which negotiations must take place are quite often prescribed by agreements. These limits may be for one or more stages in the negotiating procedure, though limits for the later steps are more frequent.

A

Within — hours of the submission of a dispute or grievance for adjustment the employer agrees to advise the union of the company's decision in the matter.

B

A final decision on appealed grievances will be given by a representative of the highest local management within a maximum of — working days from the date of the first written filing thereof. Any grievance not appealed from a decision at one step of this procedure in the plant to the next step within — working days of such decision shall be considered settled on the basis of the last decision and not subject to further appeal.

Grievance Meetings

Meetings between union representatives and the management for consideration of grievances are occasionally set for regular times, but usually the meetings are arranged on the request of either party. If negotiations are handled by full-time paid officers of the union, meetings are usually during working hours. While meetings of employee committeemen with management are also frequently held on company time, in some cases they may be held only after working hours.

A

Regular meetings for the discussion of grievances between the shop committee and the superintendent will be held at least once each week throughout the term of this agreement. Special meetings will be held within 3 days of a request by either party for such a meeting.

B

All matters of discussion between the employer and the union shall be taken up by accredited representatives of the employer and of the union at a time mutually agreed upon but not later than 2 days after the occurrence giving rise to the discussion or dispute.

C

The local management agrees that it will meet with the regularly selected committee at mutually convenient intervals, and on such other occasions as may be mutually agreeable.

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Pay Status of Committeemen

Meetings for the discussion of grievances, if held during working hours, raise the question of compensation to committeemen for loss of working time. Many companies, recognizing the important role of committeemen in grievance adjustment work, have agreed to compensate them for all time spent during working hours in meetings with management. Some firms distinguish between meetings called by the company and those requested by the union and compensate committeemen only for the former. Since no loss of pay is involved in conferences scheduled after working hours committeemen generally receive no pay for such meetings, although in a few instances limited amounts are granted.

Pay for all Meetings During Working Hours.

A

All meetings between the shop committee and plant officials will be held during regularly scheduled working hours. Members of the shop committee will be allowed time off without loss of pay to attend these meetings.

B

The employees covered under the terms of this agreement shall elect not more than 3 members to represent them in negotiations with the management. These members shall receive pay from the company at regular rates for all scheduled working hours lost during conference with company representatives.

C

Meetings between the shop committee and company officials will be held one-half on company time, one-half on employee's time. If held during working hours, members of the shop committee will be allowed time off at half pay to attend these meetings.

Pay for Meetings Called by Company.

A

For any such meetings called by the company, the committee members shall receive pay at straight time during their regular working hours and at the overtime rate if it is outside their regular working hours.

B

Meetings between the union shop committee and company officials, if called for by the union will be held either after working hours or during working hours without pay to members of the committee. If called for by the company, meetings will be held during working hours with full pay for members of the committee for time spent at the meetings.

Meetings After Working Hours.

A

Grievances will be preferably handled by committees with the management after working hours. Committeemen shall be paid 1 hour's compensation for such meeting after their working hours.

Grievances necessitating immediate action shall be handled during working hours, without loss of pay.

B

Meetings between the union shop committee and company officials will be held after regular working hours. Should the union request a special meeting during working hours, shop committeemen will be given time off without pay to attend such meetings.

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Pay for Grievance Work.

While some adjustment work can be performed by committeemen after working hours or at regular union meetings, there are many instances when grievances must be handled during working hours and adjusted with the foreman on the job. Committeemen are sometimes paid by management at their regular rate of earnings for time spent in handling grievances during working hours. In a very few cases, committeemen are permitted to devote full time on adjustment work but usually a limit is placed on the number of union representatives who may adjust grievances on company time or the number of hours a day or week that may be spent on such duties.

A

The union shall select a grievance chairman who shall devote his entire working time to the operation of this grievance machinery. He shall be paid at a rate mutually agreed upon by the company and the grievance chairman. The company will provide him with an office and telephone extension.

B

Members of the shop committee will be permitted to leave their work during the regular working hours on their respective shifts for not more than 2 hours in any working day and shall devote their time to the handling of grievances and not to other union activities and shall be paid by the corporation at their regular hourly rate for such time as may be spent by them in the handling of such grievances. Shop committeemen will be permitted to leave their work by reporting to their foremen and recording their time. Upon entering the department for adjusting grievances the committeeman will report to the foreman of the department explaining his purpose.

Pay Not Allowed for Grievance Work.

It is understood that any employee, acting as shop steward or on the grievance negotiating committee, may be afforded time off without pay to perform his duties, as such, provided they check in and out with their supervisor when leaving or returning to their jobs.

Protections to Shop Committeemen

Sometimes shop committee members are placed at the top of the plant or departmental seniority lists. This affords continuity of grievance adjustment personnel in times of lay-off as well as protection against discriminatory discharge because of committee activities. Some agreements merely state that there shall be no discrimination against union stewards.

A

All members of the shop committee, the chairman, the secretary and treasurer of the shop organization shall head the seniority list in the plant during their term of office. No member of the shop committee or stewards shall be made a foreman or assistant foreman during his term of office or for a period of 6 months thereafter without forfeiting his seniority rights. The department stewards shall head the seniority list in their respective departments.

B

The members of the union bargaining committee, during their tenure of office in such capacity, shall hold highest seniority provided they are able to do the work available.

C

The steward shall not be discriminated against for his activities in behalf of the union and shall conduct himself in the proper manner and perform his duties without inconvenience to the employer.

If a steward is discharged for his activities and it is clearly proven that he has been discriminated against by his employer or the employer's representative the steward shall be reinstated on the job.

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Chapter 20

Arbitration

To avoid a disruption in the working relationship after an agreement has been negotiated and while it is in effect, most employer-union agreements provide that questions over its interpretation and application shall be submitted to a neutral person or agency for final determination if the parties cannot reach an understanding through negotiation. The absence of such an arbitration provision usually reflects immaturity in the collective-bargaining relationship. Where agreements have been entered into year after year, both company and union have found that it is to their advantage to have well-defined procedures established for the final settlement of all questions which may arise while the agreement is in effect. In a few cases the agreements specify that certain matters are not subject to arbitration. Disputes over such matters may be settled through negotiations; if they are not, they present possible danger points in the maintenance of peaceful industrial relations even while an agreement is in effect.

Although a majority of agreements provide for the selection of the arbitrator or arbitration board after negotiations have failed, the most stable arrangement is that specifying a board of arbitrators or an impartial chairman to function throughout the life of the agreement. The functioning of permanent arbitrators throughout the agreement permits the supplementing of the agreement provisions with a body of decisions which, generally serving as precedents, will tend to prevent the occurrence of similar grievances in the future. In the absence of permanent arbitration machinery, when the employer and the union must agree upon the choice of an arbitrator after negotiations have failed, there may be a situation of mutual distrust in which agreement upon an arbitrator is difficult. This difficulty is overcome when the agreement refers the selection of an arbitrator to a disinterested third party if the employer and the union cannot agree within a reasonable time.

In order to prevent a possible deadlock in arbitration proceedings should the two parties fail to agree upon an impartial arbitrator, most agreements specify a governmental agency to make such selection if the two parties cannot agree within a certain time limit. The United States Department of Labor is most frequently mentioned. Federal and State judges and State arbitration boards are also called upon. The American Arbitration Association, a private agency, is sometimes asked to furnish a panel of arbitrators from which the two parties make a selection. A few agreements specify that the selection and procedure of arbitrators shall be in conformity with State arbitration laws.

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Arbitration for Particular Disputes

The most common form of outside reference is through the selection of an impartial chairman by a committee on which both the employer and union are represented. Sometimes the chairman is not selected until after employer and union representatives have failed to adjust the dispute. In contrast to this tripartite arrangement, a few agreements call for a committee composed exclusively of outside, impartial persons. Frequently one outside person is appointed to serve as the sole arbitrator.

The impartial chairman or member of an impartial committee may be a private citizen or a government official. Since the reference to arbitration is voluntary, the status of the arbitrator does not affect the essential nature of the proceedings. Whether private or government, both employer and union have voluntarily agreed to submit the dispute to arbitration and to accept the decision of the arbitrator as final.

Bipartisan Boards With Impartial Chairman.

A

Should the parties fail to agree with respect to any grievance or dispute arising under this agreement, each party will select two representatives for an arbitration committee. This committee will agree upon and select an impartial person who shall act as chairman of the committee. If the representatives fail to agree on a chairman within 3 days, the selection will be referred to the United States Conciliation Service, which will immediately choose such chairman. Decision of the board will be by majority vote, and all decisions will be final and binding on both parties.

B

Either party may ask for an arbitration, in which event the union shall appoint two arbitrators and the employer shall appoint two arbitrators, said arbitrators to select an umpire, said arbitrators and umpire to constitute a board of arbitration. In the event that the arbitrators are unable to agree upon an umpire, either party shall be entitled to apply to the Supreme Court of New York in accordance with the provisions of the arbitration law for the appointment of an umpire. The decision of the board of arbitration shall be conclusive and binding upon both parties.

C

Any disputes, differences, controversies, or grievances which may hereafter arise under this agreement between the company and the union or employees who are members of the union shall be adjusted as follows:

First, by negotiations between representatives of the union and representatives of the company.

Second, if such dispute, difference, controversy, or grievance is not adjusted within 2 weeks after such negotiations are begun, by submission of the matter to arbitration. In such case there shall be three arbitrators, one to be appointed by each party to this agreement and the third to be selected by the two so appointed. The party desiring arbitration shall appoint his arbitrator and shall give notice in writing to the other party of such appointment, together with a written statement of the question to be arbitrated. After receiving such notice and statement, the other party shall appoint an arbitrator and give notice in writing to the other party of such appointment. In the event that two arbitrators so appointed cannot within 3 days select a third arbitrator who is able and willing to serve, the two arbitrators shall jointly request the American Arbitration Association to appoint a third arbitrator. The costs and expenses of the arbitration, including the compensation of the arbitrators, if any, and steno-

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graphic expenses, shall be borne equally by the union and the company. The arbitration shall be in accordance with applicable provisions of Massachusetts law.

D

If no decision on appeal is reached by the local management and the local executive board in the period of time hereinbefore specified, or if any employee or employees are not satisfied with the decision rendered on appeal, recourse shall then be had to arbitration by an arbitration committee chosen as follows: The union shall choose two representatives and the company shall choose two representatives. These representatives shall then meet to choose a fifth member of said arbitration committee.

In the event that said arbitration committeemen cannot choose said fifth member within 24 hours after meeting to choose said fifth member, said fifth member shall be chosen in the following manner: The committee shall request the local Conciliator of the United States Department of Labor to submit the names of five persons to act as arbiter. The representatives of the union and the representatives of the company shall each have the choice of rejecting the names of two of these five persons, and the remaining or fifth one shall be selected as arbiter. The grievance or dispute shall then be considered by said committee and its decision shall be accepted as final and binding by both parties. The decision of the arbitration committee shall be rendered not more than 5 days after submission of said grievance or dispute to said committee. Any expenses of arbitration shall be borne by and divided equally between the union and the company.

Nonpartisan Government Committee.

It is mutually agreed by both parties that, in case no satisfactory settlement can be reached in accordance with the above procedure, the dispute shall be referred to the State Board of Mediation and Arbitration, which board in joint session shall fully hear and deal with said grievance and any decision arrived at by the board shall be final and binding on all parties concerned.

Sole Impartial Arbitrator.

In the event of a dispute arising which the parties are unable to settle between them, they will agree on an impartial umpire to hear and settle the dispute. In case an umpire is not selected within 1 week after the parties have failed to effect a mutually satisfactory settlement, then either party, upon written notice to the other, may apply to the Director of Conciliation, United States Department of Labor, for the appointment of an umpire. The umpire when selected or appointed will proceed as soon as practicable to examine into and determine the complaint or controversy at issue and his findings shall be final and binding upon both parties.

Permanent Arbitration

Some agreements do not leave the selection of an arbitrator until the time when the dispute gets to the stage of arbitration but specify a certain individual who is to act as arbitrator as needed throughout the life of the agreement. The permanent impartial chairman or arbitration board is most frequently found in those industries in which the union and the employers have agreed upon continuing machinery to settle complex production and wage problems in addition to ordinary grievances and disputes arising under the agreement. This type of arbitration machinery is common in the garment, millinery, fur, and hosiery industries and for longshoremen on the Pacific coast. (See also Joint Committees on p. 147.) Also agreements for a few of the larger corporations provide for permanent arbitrators.

A

Should the parties to this agreement fail to agree on any dispute or grievance which arises under this agreement, the question will be referred to an arbitration board consisting of one representative from each party hereto and a permanent umpire to be known as the "impartial chairman."

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Each case will be considered on its merits and the collective agreement shall constitute the basis upon which the decision will be rendered. No decision will be used as precedent for any subsequent case.

The parties hereto will agree upon the choice of an impartial chairman on or before —, 19—. Should they fail to reach an agreement within such time, [name and title of public official] will, upon the application of either party, summarily appoint such impartial chairman.

Should the said impartial chairman resign, refuse to act, or be incapable of acting, or should position of impartial chairman become vacant for any reason, the parties hereto will, within 5 days after the occurrence of the vacancy, designate another person to act as impartial chairman, and in the event of the failure or inability of the parties to make such selection within the period of the same 5 days [name and title of public official] shall, on application of either party, summarily appoint such impartial chairman.

All decisions made by the arbitration board or rendered by the impartial chairman shall be complied with within 24 hours. Should either party fail to comply with such decision within such time, it will automatically lose all rights and privileges under this agreement.

B

The parties agree that [name of person] shall be named as impartial umpire for the term of this agreement, to hear and settle all disputes which the parties are unable to settle between them. His decision will be final and binding on both parties.

Permanent Board With Ad Hoc Chairman.

The parties to this agreement will each appoint within — days of the signing of the agreement, — members who will serve for 1 year upon the joint board, which board will select from among its own members a secretary and treasurer. Every member of the board shall be notified of all meetings and purpose of same, and — members of the board from each of the parties hereto will be a quorum for the transaction of business, each party having the right to cast the full vote of its membership.

Should a dispute or grievance arise between the parties hereto which the parties are unable to settle by direct negotiation, such dispute will be submitted to the joint board for adjudication. The board shall hear the evidence and render its decision as speedily as possible and its decision shall be final and binding. Decision shall be by majority vote.

Should the board be unable to decide the issue, it will proceed to select an impartial chairman to decide the dispute. If the board fails to agree upon an impartial chairman within — hours, the selection will be referred to [name and title of public official], who will immediately name such chairman. The decision of the chairman will be final and binding upon the parties hereto.

Cost of Arbitration

The salary of the permanent impartial chairman, where such exists, or the fee paid to a temporarily chosen arbitrator, together with any other expenses, are usually shared equally by the employer and the union.

A

The salary of the impartial chairman shall be paid from a fund to be administered by [name of bank], as trustee, one-half to be provided by the corporation, and one-half by the union. This fund shall be paid over to the trustee by the corporation and the union as soon after the execution of this agreement as possible and shall be wholly free from any control on the part of the corporation or the union. No other charge shall be made against this fund except the salary of the impartial chairman, which shall be paid over to him monthly.

B

Each party will bear the expense of its representatives on the arbitration board, and shall jointly pay the expenses of the impartial member.

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C

The cost of arbitration in any case shall be borne equally by the union and the company.

Referral to Arbitration

As a rule either the employer or the union may request that an unadjusted dispute be referred to arbitration. A few agreements, however, provide that both parties must agree to have a dispute arbitrated. In the latter case, of course, the party which is seeking redress or adjustment is blocked if the other party is satisfied to leave the situation without change.

Either Party May Ask for Arbitration.

A

The union or the corporation may present to the adjustment board any complaint which either party may have or any violation by the other party of any of the terms and provisions of this agreement and it shall be the duty of the adjustment board to receive and consider and decide on the merits of any such complaint and to order any adjustment which may be adjudged by the board to be proper.

B

The aggrieved party or his duly accredited representatives, within 3 days after the final decision of management upon the grievance has been made known, shall notify management in writing of his desire to have the matter arbitrated and shall in said written notice designate his arbiter. Within 3 days of receipt of such written notice, management shall notify the aggrieved party or his accredited representatives in writing of the name of the party selected by management as its arbiter. The two arbiters so chosen shall select a third.

Both Parties Must Agree to Arbitrate.

A

Grievances shall be presented to such impartial body for settlement within 5 days wherever possible—provided the nature of the grievance is such that the employer and the union can agree that it is a suitable subject for arbitration, but grievances based on charges of discrimination, furloughs, discharges, or demotions shall be submitted to arbitration as above set forth. Grievances based on other than the above factors may be referred to an arbitrator or arbitrators by mutual agreement.

B

In the event that the employee or his union representative or representatives are dissatisfied with the explanation of disposition of the matter made by the president or other general executive of the company, and if both the union and the company agree thereto, the matter shall be submitted to arbitration.

Protection Against Delays and Deadlocks

Provisions are sometimes included in agreements which protect the parties against attempts to delay or deadlock the arbitration procedure.[1] The most common provision of this type sets time limits for each step in the process, from the initial referring of the dispute to arbitration to the rendering of decisions. In anticipation of a possible stalemate owing to the inability or failure of the parties to agree

[1] Clauses in which the parties to a union agreement agree to submit future disputes to arbitration are made legally enforceable by statute in a few States. Under these statutes, a court order may be secured to compel a recalcitrant party to proceed with arbitration as provided in the agreement.

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on a neutral arbitrator, some agreements refer the choice to a governmental or private agency. (See p. 155 ff.) Other provisions are directed toward expediting hearings and decisions.

The arbitration board shall hear all evidence and render a decision within 7 days of their appointment. If necessary, such limit may be extended for not to exceed 72 hours.

Decision by Default.

A few agreements provide for a decision by default if either party fails to nominate its representative on the arbitration board. In other cases refusal to cooperate with the arbitrator may result in a decision without the participation of the party causing the delay.

No decision shall be made by the arbitration board without the participation of the representative of both the union and the company, unless in the judgment of the chairman either the company or the union is unnecessarily delaying arbitration proceedings (and after due notice of such judgment by the chairman to both parties hereto) in which case decisions may be reached without the participation of the party causing the delay.

Arbitration Proceedings

Most union agreements do not make reference to the rules which are to govern the arbitration proceedings beyond establishing time limits for the holding of hearings, or specifying occasionally that arbitration is to be in accordance with State law or the rules of the American Arbitration Association. Generally, such matters as the introduction of testimony and the procedural authority of the arbitrator are dealt with in a special agreement drawn up at the time a dispute is referred to arbitration. Where permanent impartial machinery is functioning the impartial chairman usually formulates the procedure to be followed.

As a rule, arbitration proceedings are conducted on an informal basis without adherence to the technical rules of a court of law, but on a sufficiently formal basis to expedite the hearings and to permit full evidence by both parties.

A

At the first meeting of the board of arbitration a detailed procedure shall be set up for the purpose of making the arbitration machinery quick, efficient, inexpensive, and workmanlike.

B

Any dispute, claim, question, or difference arising out of or relating to this agreement shall be submitted to arbitration upon the initiative of either party to this agreement, upon notice to the other party, under the industrial arbitration rules, then obtaining, of the American Arbitration Association, and the parties agree to abide by and perform the award.

Investigations by Arbitrator

In addition to the holding of hearings, the arbitrator is sometimes specifically authorized by the agreement to make independent investigations of the facts necessary to a decision, and is granted access to account books and other records needed for such investigation.

In the event of any controversy, the manufacturer's books, vouchers, papers, and records shall be available for inspection by duly authorized representatives of the impartial chairman, who, in his discretion, may authorize the auditor of

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the employers' association or of the union to make such examination, for the purpose of determining the amount of goods cut or being cut, made or being made, by or for the manufacturer and for the purpose of ascertaining the names and addresses of the persons doing such work and for the general purpose of determining whether the terms of this agreement are being fully carried out.

Restrictions on Arbitrator

Unless specifically stated otherwise, it is assumed that the only disputes which can be referred to an arbitrator serving under an agreement are those concerning the interpretation or application of the terms already existing in the agreement.[2] In other words, it is not contemplated that the arbitrator shall alter or repeal any of the basic terms or policies which the employer and union have negotiated. Most agreements, therefore, do not state the boundaries of arbitration activities. Occasionally an agreement will specifically mention the subjects which can or cannot be referred to arbitration.

A

The impartial umpire shall have authority to interpret the terms of this agreement, or upon mutual consent of the yard manager, the union, and the employee thereby affected, to adjust any other matter which may be referred to him for adjustment, but he shall not have authority to alter in any way the terms and conditions of this agreement.

B

The umpire shall have no power to add to or subtract from or modify any of the terms of this agreement or any agreements made supplementary hereto; nor to establish or change any wage; nor to rule on any dispute arising under the section regarding timing operations, but shall refer any such case back to the parties without decision.

C

The union or the company may present to the arbitration board any complaint as to the violation of the terms of this agreement by the other party. The arbitration board shall consider such complaints and shall order any adjustment it deems appropriate. It is agreed that adjustment of the wages of individual employees shall not be subject to arbitration.

Retroactive Awards

Other than in cases of unjustified discharge or adjustment of piece rates, most union agreements do not provide for retroactive compensation to employees in whose favor an award has been rendered. The more frequent practice under union agreements is to guard against an undue loss of earnings by specifying time limits for the various stages of the adjustment proceedings. A practice which is often followed is to submit the matter of retroactive compensation to the discretion of the arbitrator by agreement of the parties at the time a dispute is referred to arbitration. Agreements which provide for retroactive compensation occasionally limit the amount of back pay which the workers may receive.

[2] The distinction should be clearly kept in mind between arbitration *under* the terms of an existing agreement and arbitration *over* the terms of a new agreement. In the former, the arbitrator determines the rights and duties accruing to one or both parties under a contract already negotiated by them; in the latter, which more often than not takes place after a strike or lock-out, the arbitrator's function is to determine what the new agreement shall provide concerning the issue in dispute.

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A

Any adjustment made by the corporation directly or in compliance with the decision of the adjustment board shall be retroactive to the date when the matter involved occurred.

B

The decision of the arbitrator shall be retroactive to the date on which the grievance or complaint was formally filed with the company.

C

In the event that the decision of the employer is not sustained, the award of the arbitrators shall be retroactive from the date that the decision of the management was put into effect, but is not to include more than — days' back pay.

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Chapter 21

Strikes and Lock-Outs

Almost every union agreement accompanies the machinery for the settlement of disputes with restrictions on work stoppages, whether strikes or lock-outs. The most common provision completely prohibits work stoppages of any nature.[1] Many agreements merely restrict the conditions under which a strike may take place. In a few industries where bargaining is generally conducted with employers' associations, the strike has been accepted as a means of enforcing the agreement against recalcitrant members of the association. In such cases strikes against individual employers are permitted for enforcement purposes and do not constitute a violation of the association agreement.

Aside from such specific exceptions, a number of agreements prohibit strikes only until negotiations under the agreement have been exhausted. Such agreements usually do not provide for arbitration. Unions generally refuse to give up the right to strike unless there are adequate safeguards, such as final and binding arbitration, for the enforcement of the agreement and the adjustment of grievances.

Prohibition of Strikes and Lock-Outs

Some strike clauses merely specify that the union will not call a strike, thus banning any formally authorized strikes during the life of the agreement. Other agreements go further by placing an obligation upon the union to thwart unauthorized stoppages on the part of its members. An effective deterrent against prolonged unauthorized stoppages is the provision that the employer will not discuss grievances until the strikers return to work.

A

It is agreed that the union will not call a strike and the employer will not institute a lock-out for any cause whatsoever during the term of this agreement.

B

The union will not cause or permit its members to cause, nor will any member of the union take part in, any strike either sit-down, stay-in, or any other kind of strike or any other kind of interference or any other stoppage, total or partial, of any of the company operations during the term of this agreement.

C

A strike or stoppage of work shall be a violation of this agreement. Under no circumstances shall the employer discuss the matter under dispute with the grievance committee during suspension of work in violation of this agreement.

---

[1] Such a provision, of course, does not prohibit strikes after the termination of an agreement if a dispute should arise over the terms of a new agreement—the situation under which most strikes occur.

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Penalties for Stoppages

Prohibitions on work stoppages are occasionally accompanied by provisions which call for the application of disciplinary measures against employees who strike in violation of the agreement or employers who institute unauthorized lock-outs. Thus the union may agree to furnish the necessary men to continue production or may be required to impose fines on the guilty employees. Agreements with employers' associations may contain provisions which obligate the association to compel individual employers to rehire workers illegally locked out. Provisions of this sort are rare and occur, for the most part, only when there have been recent difficulties in maintaining uninterrupted production.

A

In order to prevent illegal strikes in violation of this agreement, the union guarantees to support fully the company in maintaining operations and to use its best efforts to supply the company with union men to replace those striking in violation of this agreement.

B

Any employee or employees guilty of throwing the plant idle or of materially reducing the output of the plant shall, at the option of the company, either be discharged or be fined $3 each and $1 per day for each additional day or part of a day they remain idle. This penalty shall also apply to men who, though not formally striking, shall without notice quit work as a subterfuge.

C

Should the employees in any shop or factory cause a stoppage of work or shop strike, or should there result in any shop or factory a stoppage of work or shop strike, notice thereof shall be given by the council to the union. The latter obligates itself to return the striking workers and those who have stopped work, to their work in the shop within 24 hours after the receipt by the union of such notice, and until the expiration of such time it shall not be deemed that the striking workers have abandoned their employment. In the event of a substantial violation of this clause on the part of the union the employer shall have the option to terminate this agreement. The existence or nonexistence of such substantial violation shall be determined by the impartial chairman as constituted under this contract, on all the facts and circumstances.

Should any member of the council cause a lock-out in his or its shops or should there result in any shop or factory a lock-out, notice thereof shall be given by the union to the council. The council obligates itself, within 24 hours after the receipt of such notice, to terminate the lock-out and to cause its members to reemploy the workers and, until the expiration of such time, it shall not be deemed that the employer has forfeited his rights under the agreement. The existence or nonexistence of such substantial violation shall be determined by the impartial chairman on all the facts and circumstances.

Effect of Work Stoppage on Status of Agreement

Whether or not the agreement expressly states that a strike or lock-out while an agreement is in effect renders the agreement null and void, this is the practical effect of serious work stoppages. Some agreements specifically provide for nullification under such conditions. Others provide fines or penalties for first infractions and termination of the agreement only after several such occurrences. (See Fines and Penalties, ch. 22, p. 168.)

A

In the event of a substantial violation of this clause (no strike) on the part of the union, the association shall have the option to terminate this agree-

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ment * * *. In the event of a substantial violation of this clause (no lock-out) on the part of the association, the union shall have the option to terminate this agreement. The existence of such substantial violation shall be determined by the impartial chairman on all the facts and circumstances.

B

In case of strikes or lock-outs affecting members of any organization working in or on the premises this contract immediately becomes null and void.

C

Should either party of this agreement violate any of its provisions, same shall be deemed sufficient cause for the cancelation of this agreement by the other party.

D

In the event the union declares a strike this agreement may be terminated by the employer by written notice to the union; however, the union shall remain the exclusive bargaining agency until the National Labor Relations Board will deem it necessary to call an election.

Strikes Allowed to Enforce Agreement or Arbitration Award

When strikes occur under an agreement which forbids such stoppages the union usually contends that the employer had already violated some other provision, and that this violation caused the grievance which occasioned the strike. Some agreements specifically permit strikes to enforce the terms of the agreement. Such provisions are usually accompanied with the safeguard that an impartial arbitrator shall first determine if a violation has actually occurred.

A

It is further mutually agreed that there shall be no strike, stoppage, suspension of work, or diminution of effort, or a slowing of work or lock-out, unless, in a written opinion sent to both the company and the union by the arbitration board referred to in the above section, the provisions of this contract have been found to be violated.

B

The contracting parties, for themselves, their successors or assigns, and for their respective members, officers, and agents agree that for the full period of this agreement, there shall be no strikes, stoppages, boycotts, or lock-outs, no picketing of any kind or form whatsoever, however peaceable, nor demonstrations, displays, or advertisements tending to excite sympathy or protests, and that neither of the contracting parties will authorize, permit, countenance, or suffer the existence or continuance of any of the acts hereby prohibited.

The union, however, reserves the right to strike any mill where the employer fails to carry out the decisions of the impartial chairman, duly rendered in writing, within 20 days after such employer shall have been served with such decision. The employer reserves the right to lock out any department or dismiss the entire personnel of such department and/or the entire mill where members of the union in any department refuse to carry out the decisions of the impartial chairman, duly rendered, within 20 days after service upon the union of such decisions. Such jobs so affected by a lock-out will remain union jobs and the union empowered to fill such vacancy so caused, subject to the right of the employer to fill such vacancies in case the union fails to do so, as elsewhere in this agreement provided.

No Stoppages Until Failure of Grievance Adjustment

Where the grievance-adjustment machinery provided in the agreement stops short of final award by an impartial arbitrator, strikes

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are usually not prohibited altogether. Under such circumstances most unions are willing to postpone the calling of a strike only until after the established adjustment procedures have been utilized.

Should differences arise between the employer and the union as to the meaning and application of the provisions of this agreement, there will be no suspension of work either by strikes or lock-outs on account of such differences until and unless all means of settling such controversies under the provisions of this agreement have failed.

Strikes After Membership Vote

There are some agreements which restrict the possibilities of strikes by requiring a membership vote and further sanction by the union's national officers. Since a number of union constitutions forbid striking without approval of the central office, this deterrent may exist even though it is not mentioned in the agreement.

A

It is mutually agreed that work shall not be suspended except by vote of the employees who are members in good standing of [name of union] and not until such vote shall have been approved by international headquarters of [name of union].

B

A strike may be called only by a two-thirds majority vote of the inside and outside employees working for the "company" at the time of taking the vote, and then only if sanctioned by the properly authorized officers of the international.

Picket Lines

A number of agreements which prohibit strikes due to unsettled disputes between the employer and union signing the agreement, specifically state that stoppages occasioned by an unwillingness to go through a picket line shall not be considered a violation of the no-strike clause. The same situation exists with respect to stoppages due to a refusal to work on materials coming from a struck plant or a plant which the union considers "unfair" after the employer's refusal to recognize an affiliated union. Agreements which do not specifically exempt such stoppages from the general strike ban frequently cover the situation by stating that the employer shall not use such materials or require his employees to work on such materials. (See ch. 2, p. 32, Work on Non-union Materials.)

A

Refusal of union members to cross a picket line in the performance of their duties for the employer or to arrive at their workplace shall not be considered a violation of this agreement.

B

Employees may not be required to pass a picket line in the performance of their duties or to arrive at their workplace provided such picket line has been officially recognized by the [local union, building trades council, international union]. Refusal to cross such picket lines shall not be considered a violation of this agreement.

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Sympathetic Strikes

In some agreements the restriction on work stoppages does not include striking in sympathy for another group of workers if such strikes are ordered by a central labor body or the national office of the union. A considerable number of agreements, however, specifically prohibit all sympathetic strikes. (See also ch. 2, p. 32.)

Sympathy Strikes Permitted.

It is agreed that the prohibition on strikes set forth above shall not apply in the case of a strike in support of another union in the industry, or any strike called by the Building Trades Council of the city of ———, or by the international office of the union. Such strike will not be considered a violation of the agreement.

Sympathy Stoppage Disallowed.

A

Neither party to this agreement will enter into a sympathetic strike or lock-out against the other.

B

The union agrees that it will not call a strike in sympathy with workers in another plant or another industry.

Jurisdictional Strikes

Just as in the case of sympathetic strikes, agreements vary as to whether jurisdictional strikes are allowed or prohibited. More often, however, they are prohibited, and arrangements are made for settlement of the dispute by higher offices of the unions concerned.

Jurisdictional Strikes Exempted.

It is agreed that the prohibition on strikes set forth above shall not apply in the case of a jurisdictional dispute with another union in the industry, or strikes called by the international office of the union. Such strikes will not be considered a violation of the agreement.

Jurisdictional Strikes Not Permitted.

A

There shall be no cessation of work at any time on account of jurisdictional disputes or disagreements between local unions. In case of such disputes the union agrees that it will attempt to settle the dispute in the manner provided without suspension of work.

B

Jurisdictional disputes shall be settled in accordance with the regulations of the A. F. of L. Building Trades Department. All work in dispute will remain in possession of the union which is in possession at the time the dispute arises. Work shall continue pending an appeal to, and decision by, the president of the Building Trades Department. Such decision shall be final and binding on all unions involved.

Protection of Property

In some industries unions have agreed to maintain a minimum force on the premises during a strike in order to protect the company's property against damage or destruction. However, these essential employees are not required to work during a strike if the company attempts to resume production.

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A

Should any condition or dispute lead to a stoppage of production the union will, at the request of the employer, keep such members of the union as is necessary to protect the properties from damage or destruction; it being understood that union members shall not be required to work during the period of any strike if and when the company attempts to produce.

B

When required by the management, engineers, pumpers, firemen, and power-plant and substation attendants shall under no conditions suspend work but shall at all times protect all the company's property under their care, and operate fans and pumps and lower and hoist men or supplies as may be required to protect the company's coal plant.

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Chapter 22

Enforcement

Where stable collective-bargaining relationships have been developed, the parties to an agreement rely chiefly on good faith and mutual cooperation for enforcement of the agreement. In such instances, the agreements may not explicitly mention compliance, although willingness to abide by the terms of the agreement is frequently expressed by a general statement to the effect that the agreement is in force and binding until its termination.

In situations where the contractual relationship is new or where recent difficulties in maintaining collective bargaining have been experienced, either party may seek special provisions to insure compliance. Thus, monetary deposits may be required of one or both parties to the agreement. A few agreements provide a system of fines and penalties for violations by either party. In the clothing trades, where the unions have faced serious problems in connection with run-away shops and the jobber-contractor relationships, agreements commonly provide for the assessment of fines and monetary deposits by employers. Fines for work stoppages in violation of agreement provisions are specified in a few agreements. (See ch. 21, p. 163.)

Other than monetary penalties are sometimes provided. Agreement violation by the employer may result in the loss of certain privileges received under the agreement, such as the withdrawal of union workmen, or the union label or shop card, or in the cancellation of the agreement. Penalties for violations by the union or its members may include the cancellation of the agreement and disciplinary measures against the offending members, such as subjecting them to discharge, suspension, or expulsion from the union.

The right to have the agreement enforced by injunction or other court decree is infrequently mentioned in agreements and has rarely been resorted to in practice.

Monetary Fines and Penalties

Employers and unions generally rely for enforcement upon methods other than the imposition of fines and penalties. Where the latter are resorted to, they may be explained by conditions peculiar to the industry or by recent difficulties in maintaining the collective-bargaining relationship. In situations where the burden of an employer's violation falls upon the worker, the agreements may require the fine to be paid directly to him. In other cases, the fine is paid either to the union or the employer, depending upon which is guilty.

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A

In the event that the employer deliberately violates any provisions in this agreement relating to wages or hours of work or vacations, any back pay owed to the employee because of such violation shall be paid at the rate of two times the amount involved. Reasonable evidence of clerical error or honest mistake in interpretation of the agreement shall exempt the employer from the double penalty. Where there is evidence of collusion between employer and employee to violate the agreement, any back pay shall be deposited with the union as the employee's representative.

B

In the event the board of arbitration shall adjudge any employer guilty of any violation of any of the terms, conditions, and provisions of this agreement, it may, in addition to any directions or orders which it may make in the premises, impose a fine in money, which shall be paid by such employer within 3 days after the imposition of such fine. The amount of such fine shall be discretionary with the board of arbitration and shall be determined with reference to the nature and extent of the violation; it shall be sufficiently adequate to offset any advantage gained by the employer by reason of such violation and in addition thereto appropriately and fairly penalize him therefor.

C

The parties agree that the sum of $——, to be paid by the employer to the union for each violation of this agreement, shall be fair and just in liquidation of damages because of such violation. Such sum shall be in addition to any wages or back pay which may be due individual workers, and shall be paid to the union for the purpose of defraying the expenses incurred by it in investigating violations of this agreement, the exact amount of which is not ascertainable. The amount so directed to be paid the union shall in no event be deemed a penalty for such violation.

D

The parties hereto agree that the following sums are fair and just in liquidation of damages because of violation of this agreement: $—— for each violation. Each of the parties hereby agrees to pay to the other, within 30 days, any sum or sums so assessed because of violations of the agreement. Should either party fail to pay the amount so assessed within 30 days, the party so failing to pay shall be deprived of all the benefits of this agreement until such time as the matter will have been adjusted to the satisfaction of both parties.

Monetary Deposits

Monetary deposits by the employer as security for the faithful performance of the agreement are required in a few instances. Provisions of this nature are secured by unions to meet conditions peculiar to an industry or because of past failure of the employer to live up to obligations. In clothing manufacture, for example, the union may require an employer to deposit a specified amount which is forfeited if the agreement is violated. If impartial machinery is established the impartial chairman or board of arbitration is generally empowered to determine whether or not violations have occurred.

The amount of the deposit is usually specified in the agreement. The amount may be only a few hundred dollars or as high as $10,000. Agreements sometimes state that title to the deposit passes to the other party when the agrement is signed and is to be returned upon the termination of the agreement, provided there has been compliance with all its terms. More frequently, however, monetary deposits are posted with third parties.

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A

As security for the faithful performance of this agreement on its part, and on the part of all contractors constituting its membership, the employer agrees, upon the request of the union, to deposit with a bank or trust company to be designated by the union, to the joint credit of the parties hereto, the sum of $10 000, which sum shall continue on deposit. Any and all awards of damages in favor of the union or any of its members made by the clerks or deputies or the said trial board shall be paid out of such security, and the employer shall, within 72 hours after such payment replenish the security deposit to the full amount of $10,000, or, at its option, pay the damages so awarded directly and leave the deposit intact.

B

As security for the faithful performance of this agreement, the union and the employer each agree to deposit the sum of $—— in the [name of bank] for the benefit of the other party. At the termination of this agreement, such sums shall be returned to the party making the deposit, providing that party has performed all the terms of said agreement.

C

In the event the [board of arbitration, impartial chairman] shall adjudge the employer guilty of any violation of any of the terms of this agreement, it shall require, in addition to the monetary damages awarded in the decision, the deposit of a sum not to exceed $—— as a guarantee against future violations. Title to the money thus deposited shall pass to the union, but such sum shall be returned to the employer upon the termination of this agreement, provided there are no further violations of the terms of said agreement by the employer.

D

Any violation of the wages, hours, or union-shop clauses shall call for an automatic decision by the joint committee that a cash bond of $500 be posted to insure future compliance.

Nonmonetary Penalties and Restrictions

Penalties other than monetary ones are sometimes provided. The employer may be deprived of union help or other benefits until the violation has ceased. Agreements that provide for the use of the union label or shop card may specify that it be withdrawn when violations occur. When the label is widely used, as in the printing trades, this is an effective means of enforcing the agreement.

A

If it shall be proven that the employer has violated the provisions of this agreement he shall be deprived of union help and other benefits of the agreement until such matters have been settled and all expenses have been paid to the men for the loss of time.

B

Where it has been proven that an employer signee of this agreement has violated the articles of this agreement he shall be deprived of the benefits hereto and before the same shall be in force again, he will be required to pay local union — the expenses of investigating his shop.

C

Any violation of the provisions of this agreement shall subject the employer to the loss of the [label, shop card] of the [union].

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Union Responsibility in Enforcement

Provisions are occasionally included in agreements which define the union's responsibility in securing compliance with the agreement. Sometimes these are merely statements of a general nature to the effect that the union will see that its members work for the employer under the conditions established or that the union guarantees the enforcement of the agreement. Some agreements, however, contain clauses requiring the union to penalize its members for infractions of the agreement. Suspension from the union may follow repeated agreement violations.

A

Any employee found guilty of violating any sections of this agreement shall be subject to a fine, suspension, or removal from the job, as this local union may see fit.

B

The union is charged with the responsibility of enforcing the terms of this agreement on the part of the members of the union, and in the event that any provisions of this agreement are violated by one or more of the employees, members of the union, such employee or employees shall be deemed thereby to have terminated their employment: and the union will undertake to discipline such employee or employees and to take such other action as may be sufficient to prevent recurrence of violation.

National Office Responsibility.

A few agreements are underwritten and guaranteed by the national union. Where the prestige and authority of the national union is recognized, its disapproval of a local union's action in violation of an agreement may be sufficient to secure compliance. Some agreements require the national union to assist the company in maintaining operations in case of illegal strikes by furnishing men to replace the strikers. (See ch. 21, Strikes and Lock-Outs, p. 163.)

The fulfillment of this agreement shall be guaranteed by [name of international union], as well as by the representative officers of [local union number], and it shall be their duty to see that the union cooperates with the company in carrying out the terms of this agreement.

Enforcement by Court Action

In the United States, resort to the courts to enforce union agreements has been relatively infrequent largely because labor has considered the aid of the courts to be secondary in importance to its own economic strength. In general, employer-union agreements, as well as awards by arbitrators provided for under the terms of agreements, are enforceable in the courts just as other contracts and arbitrators' awards. Specific mention in an agreement that it is enforceable would in itself have little or no effect in a court's decision should either party seek legal redress. An entire agreement would be held unenforceable only if its terms were in violation of some statute or the circumstances surrounding its negotiation were unlawful, as for instance, if it were entered into by an employees' organization found to be dominated by the employer. Likewise, a particular provision in an agreement would be legally unenforceable only if the provision itself were unlawful, as for example, if it provided a wage rate below the minimums required by law. Largely because it is considered unnecessary, very few agreements contain provisions relating to their legal enforceability.

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A

It is agreed that either party hereto shall have the right to have the agreement specifically enforced and to prevent the violation thereof by injunction or other proper decree of any court of competent jurisdiction.

B

It is further agreed that the decision or award of the board of arbitrators shall be binding and conclusive upon the parties, and the parties stipulate and consent that the findings, decision, and award made by the board of arbitrators may be enforced by appropriate action in a court of law or equity.

Separability.

At times, legislation or court decisions may render a specific provision or portion of an agreement illegal, invalid, or unenforceable. Either party may then seek to declare the entire agreement invalid on the ground that all the provisions are interdependent, and that the deletion of one provision or portion of the agreement changes the meaning and character of the other terms originally agreed on. In order to guard against such an attempt by either party to declare an entire agreement invalid, the agreement may stipulate that the illegality or invalidity of any part will not void the remainder of the agreement.

This agreement is made in the full belief by both parties hereto that it is in every respect legal. If any section, clause, or sentence or part of this agreement is, for any reason, held to be invalid or unenforceable in any respect, such a decision shall not affect the remaining portions of this agreement.

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Chapter 23

Plant Efficiency and Technological Change

Many union agreements state as their general purpose the improvement of efficiency in the plant or industry. Few agreements, however, outline the specific steps to be taken to achieve this end. Most unions and employers consider that the general improvement in morale which results from sound collective bargaining, particularly the prompt adjustment of employee grievances which might lead to resentment and lowered work efforts, is the primary contribution which unions make to plant efficiency.

In a few instances, however, unions have gone further by sponsoring programs for joint union-management cooperation to improve plant efficiency and the economic position of a company or an entire industry, as well as other activities directed toward bringing benefits to both employer and employees. Such participation represents a mature stage of collective bargaining which can develop only after the union feels secure in its relation with the employer and its members, and after both the employer and union representatives have become accustomed to dealing with one another. It frequently involves sacrifices on both sides. In the introduction of technological improvements, for instance, the union may endorse and even assist in promoting such changes after definite arrangements have been made to ameliorate some of the ensuing hardships on workers, such as gradual introduction to allow time for displaced workers to obtain other jobs, or dismissal wages.

Union-Management Cooperation

The term "union-management cooperation" is generally considered to mean more than the development of harmonious relations between employers and unions or the establishment of machinery for the peaceable adjustment of differences. It usually refers to programs of joint participation of labor and management to eliminate waste, to improve the quality of production, to increase output, or to modernize equipment. Less frequently it may involve the loan of union funds to a company, the sponsoring of a sales and advertising campaign, or collaboration for legislation favorable to the industry.

Although there are a number of successful instances, union-management cooperation remains the exception rather than the rule in American industry.[1] Cooperation presupposes the sincere acceptance of unionism and collective bargaining by the employer. To some employers the sharing of management functions with union leaders is a reflection upon their own administrative and executive ability. On the other hand, many unions do not wish to assume the burden

[1] During the present emergency, numerous labor-management committees have been established under the sponsorship of the War Production Board. While unions participate in the programs of these committees, there is seldom any reference to them in agreements.

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of union-management cooperation since rank-and-file workers tend to be suspicious of union leaders who collaborate too closely with management.

Union-management cooperation is rarely described in detail in union agreements. When mentioned at all, it is usually discussed in the most general terms. In most instances the plans now in operation have been worked out subsequent to the signing of the agreements, which may or may not have included general permissive clauses for their adoption.

A

Research.—The company and the union agree to cooperate fully in an effort to reduce waste, improve its products and equipment, and increase the efficiency of the plants.

To this end the union shall appoint a research director, who will cooperate with a similar man selected by the company. This research director shall establish union research committees in each plant and direct the research activities of the union.

The salary of the research director shall be jointly paid by the union and the company.

B

The company and the union agree to cooperate to reduce absenteeism, to prevent waste or destruction, and to improve the efficiency of the business. A special committee, made up of — representatives of the union and — representatives of management will be set up to effectuate this provision.

Union Cooperation With Federal Agency.

The following clause is of particular interest because it provides for union-management cooperation between unions and an agency of the United States Government—the Tennessee Valley Authority.

The T. V. A. and the Tennessee Valley Trades and Labor Council recognize that cooperation between management and employees is indispensable to the accomplishment of the public purposes for which the T. V. A. has been established as set forth in the T. V. A. Act of May 18, 1933, as amended, and recognize that such cooperation rests squarely on clear-cut mutual understandings between the Authority and its employees arrived at through the processes of collective bargaining. * * *.

In accord with the declaration in this agreement, joint cooperative committees may be set up at convenient points selected by agreement on Authority projects. Committees shall consist of representatives from the Authority and employees. The council shall designate the employee members of these committees. Committees shall have power of self-organization. Minutes and proceedings of all meetings shall be kept.

These cooperative committees shall give consideration to such matters as are referred to in the concluding statement of the Employee Relationship Policy, namely, the elimination of waste in construction and production; the conservation of materials, supplies, and energy; the improvement in quality of workmanship and services; the promotion of education and training; the correction of conditions making for grievances and misunderstandings; the encouragement of courtesy in the relations of employees with the public; the safeguarding of health; the prevention of hazards to life and property; the betterment of employment conditions; and the strengthening of the morale of the service. * * * Conclusions reached by these cooperative committees shall be by unanimous decision and shall be referred to the appropriate officers of either or both parties for action.

It is further contemplated that at least twice a year, or more often if mutually agreed, the officers of the council and the Authority shall meet in a joint Valley-wide cooperative conference for the purpose of reviewing the conclusions reached and actions taken by the local cooperative committees, for acting upon any matters referred to it by such local conferences or for any other cooperative actions deemed desirable by it in keeping with the purposes expressed in the concluding statement of the Employee Relationship Policy.

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Enforcement of Plant Efficiency

Provisions in union agreements dealing with plant efficiency may be directed chiefly or solely toward insuring efficiency on the part of management. This is most likely to occur in plants operating under a piece-work or incentive system where much of the burden of inefficiency falls on the workers. If machinery and equipment are allowed to deteriorate the employees are able to produce fewer units and thus suffer a decrease in earnings. Earnings of piece workers will also be lowered by inefficient routing of work and delays due to waiting for materials or machine repairs. Some union agreements therefore specifically place a duty on the employer to maintain modern and efficient working equipment.

A

It is agreed that there shall be full cooperation in the modernization of equipment and in the effective use of the facilities provided.

B

The company shall maintain the tools and equipment in good working order.

Joint Efficiency Program in New York City Dress Industry.

The following provision from the women's dress industry in New York City provides specialized joint machinery to enforce standards of efficiency in the industry. The efficiency program is a part of a much broader plan to increase the sale of dresses made in New York City. The program is financed from a fund raised by the sale of a label to be used in all garments and by contributions from the union and employers' association.

Each member of the association shall furnish all workers with sewing machines, driven by electric power, and with all materials and requisites of work. The shop shall be operated by him at all times in an efficient and well-ordered manner; machinery and equipment shall be maintained in good working condition; the premises shall be kept clean, shall be properly lighted and well ventilated; and adequate working room shall be provided for all workers. There shall be provided to the workers in the shop a sufficient amount of supervision and adequate floor service to perform the intermediate functions so as to obtain an uninterrupted flow of work, and to enable the workers of each craft to devote their full time exclusively to the work of their craft. Work shall not be given into the machines or routed through the shop in such manner as to keep workers waiting at their machines or work tables, or otherwise waste workers' time. Each member of the association shall plan and organize his production so as to secure to the workers the maximum period of continuous employment.

The parties hereto agree that the administrative board under the direction of the impartial chairman shall establish a special department to be attached to his office, composed of a sufficient number of competent persons who are qualified by experience and training in problems relating to management and production. They shall counsel and advise and render such other assistance to individual members of the association which will aid and facilitate their efforts to effectuate the standards above set forth.

Technological Changes

Although few, if any, unions adopt the policy of forbidding technological changes, some agreements require that all changes in process and equipment shall be subject to union-management negotiations prior to their introduction. Through such a procedure the

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union may secure gradual introduction of new machinery and insure minimum displacement of regular employees. In some cases hardship to displaced employees has been mitigated by dismissal compensation. (See ch. 8, p. 71.) Other agreements specifically prohibit any restriction upon the introduction of new machinery and processes.

Union Approval.

A

There shall be no change in process or technical equipment without prior negotiations and approval of the union.

B

The wages of workers and the regulation of the use of labor-saving machinery, such as pressing, basting, felling, and button-sewing machines, shall be adjusted by the association and the union through the process provided in this agreement, except that employers shall be privileged to continue the use of such machines as are now used by them.

Preference to Present Employees.

To mitigate the effects of technological changes it is sometimes provided that present employees be given preference in the operation of new machinery. If a training period is necessary, it is allowed at the employees' regular rate of pay.

Where machinery substitutes hand work, the employees of the particular operations affected shall receive the preference to operate the machinery. The union shall be notified of such contemplated changes at least 5 days in advance. The operators required to operate the machines shall be designated by mutual consent.

Mechanization in Telegraph Industry.

The following clause, taken from an agreement in the telegraph industry, deals with the mechanization program which has recently been applied to the industry.

(*a*) In the application of the mechanization program defined in this section of the agreement, the company represents that its objective will be to preserve job security and to stabilize employment for as many employees as possible, and that to this end, wherever the company finds it practicable, it will endeavor to retain on the pay roll for other duties those employees subject to being placed on involuntary furlough under the provisions of this section. The following provisions of this section 12 to the extent that they modify other provisions of this agreement shall be applicable only to employees affected by mechanization changes.

(*b*) If during the life of this agreement the company changes its method of transmitting or receiving messages, or changes its operations in any other respect which will require additional knowledge or skill on the part of any employee, no additional employees shall be hired at the offices, plants, or stations of the company affected by the change until the employees already working at such offices, plants, or stations shall be notified of such changes and allowed a training period to acquire the necessary knowledge or skill for retaining their employment. There shall be no reduction in salary during the training period of any such employee. The company agrees to furnish the necessary training.

(*c*) No regular adult employee of the company who received a guaranteed workweek under the agreement dated January 14, 1939, and who had 1½ or more years' system seniority as of August 1, 1940, shall be dismissed or suffer any reduction in net weekly wages during the life of this agreement as a direct result of mechanization changes except when such employee may fail to accept transfer as provided in subsection (*d*) hereof. The company shall have the right to assign such employees to semiautomatic or other positions in accordance with the usual practice in such assignments.

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(*d*) The company may, in its discretion, transfer employees with less than 4½ years' system seniority as of August 1, 1940, affected by such mechanization changes, without reduction in pay, from one position or office to another, or, at the company's own expense for travel for such employee, his wife, and dependent minor children and transportation of household goods and without loss of paid time to the employee concerned, from one city to another, if by so doing it can make better use of its facilities or personnel. Any employee so transferred will have the same office seniority in the city to which transferred as he held in the city from which transferred. In making such transfers, the company shall transfer those employees desiring to be transferred in order of greatest office seniority in the classification involved, or in order of least office seniority of those employees on the pay roll in the classification involved if no employee who is affected desires to be transferred. Any employee who has been offered and has not accepted such a transfer within 10 days after such offer of transfer shall be placed on involuntary furlough with the same severance pay as provided in subsection (*f*) hereof. The right of transfer provided in subsection (*d*) shall only be exercised by the company to transfer employees affected by mechanization changes from any city where mechanization changes are made to any other town or city in the system.

(*e*) The company shall have the right to assign any employee in the cities to be mechanized and initially hired since February 1, 1939, to a position of equal or lower classification, or to place such employee on involuntary furlough, in accordance with the procedure described in section 11 hereof. In order to make the mechanization program effective, employees initially hired after August 1, 1940, may at any time be placed on involuntary furlough subject to the provisions of section 11.

(*f*) No regular adult employee of the company hired since February 1, 1939, and prior to August 2, 1940, shall be placed on involuntary furlough by the company as a result of mechanization changes unless such employee shall be paid 2 weeks' pay for each completed year of service or fraction thereof. Such weekly pay for an employee not regularly assigned to a full workweek shall be the average of his weekly earnings for the last 13 weeks worked.

* * * * * * *

(*h*) Mechanization changes covered by the provisions of this section shall consist of changes brought about by the introduction of semiautomatic apparatus into the company's operations.

(*i*) The company agrees that no more than 650 adult employees on the pay roll as of August 1, 1940, shall be placed on involuntary furlough as a direct result of mechanization changes prior to October 1, 1941, under the provisions of (*e*) of this section.

Technological Changes Subject to Arbitration.

A

The impartial chairman shall adopt rules and regulations in connection with the introduction of new machinery in the industry, so that workers shall not suffer any undue hardships.

B

It is agreed that the employers shall be free so far as they desire to do so to place into immediate use all labor-saving devices and labor-saving equipment, and the employers shall at all times in the future be free, without interference from the union or its members, to introduce such labor-saving devices and to institute such methods of loading and discharging cargo as they consider to the best conduct of their business, provided such methods of discharging and loading are not inimical to the safety or health of the employees.

If at any time the union shall notify the employers that it contends that earnings of registered longshoremen and their employment have suffered materially from the introduction and use of labor-saving devices and methods in addition to those already used and practiced in the past, then it is agreed that proposals relative to the conditions under which labor-saving devices and practices shall be continued will be a proper and appropriate subject for negotiation and, if the parties cannot agree, for arbitration before the coast arbitrator, upon the establishment that there is reasonable compliance with this agreement and that the following conditions then exist:

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(*a*) That the use of labor-saving devices has been materially increased beyond the uses heretofore practiced;

(b) That such increased use has materially and adversely affected the earnings and employment of registered longshoremen on the Pacific coast;

(*c*) That the union and its members have not interfered with and are not interfering with the introduction of labor-saving devices by the employers;

(*d*) That efficiency in longshore work has been materially improved as a result of such use.

No Restrictions on Mechanization.

A

The company shall have the right to make such changes in methods of production as are consistent with competitive conditions in the industry.

B

There shall be no restrictions upon the use of any materials, machinery, or tools.

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Chapter 24

Apprentices and Learners

APPRENTICES

Apprenticeship is the training of young workers for skilled trades through a comprehensive program of graduated experience on the job combined with individual or class-room instruction.[1] Unions organizing skilled workers are concerned with apprentice regulation in order that high standards of skill and workmanship may be maintained and in order that job opportunities and wages of journeyman workers may be protected. The first is accomplished by having definite rules and requirements for training and qualifying for journeyman status; the second, by restricting the number of entrants into a trade to the anticipated requirements.

Restrictions on Number of Apprentices

The most common restriction on apprentice hiring is the setting of a maximum ratio of apprentices to skilled workers employed. A number of unions fix the ratios through national constitution provisions while others leave the matter to be settled through local negotiations. The most common ratios found in agreements are 1 apprentice to every 5 to 10 journeymen. In some cases the ratio is progressively raised, so as to avoid a large number of apprentices in the larger establishments—e. g., 1 to 4, 2 to 10, and so on. Each shop, however small, is usually permitted at least 1 apprentice. Many agreements fix the maximum number of apprentices that may be employed in the shop regardless of the ratio, or, where the shop is large, in any given department.

A

The number of apprentices to be allowed shall be based on the number of journeymen regularly employed on the day shift on a full-time basis for a period of not less than — months, at the ratio of one apprentice to each — journeymen. An employer is not permitted to employ more than — apprentices in any shop regardless of the number of workmen employed.

B

One apprentice may be employed in any shop where a journeyman is regularly employed, and one additional apprentice may be employed for every additional — journeymen employed.

[1] The Federal Committee on Apprenticeship has defined an apprentice as follows: The term "apprentice" shall mean a person at least 16 years of age who is covered by a written agreement registered with a State apprenticeship council, providing for not less than 4,000 hours of reasonably continuous employment for such person, and for his participation in an approved schedule of work experience through employment which should be supplemented by 144 hours per year of related classroom instruction.

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C

Apprentices may be employed in the ratio of one to every — journeymen members of the union regularly employed until — apprentices have been employed, then the ratio shall be one to every — journeymen.

D

One apprentice may be employed for every — journeymen or major fraction thereof, working at the time of employment of such apprentice.

Exceptions for Sons.

Exceptions to the ratio are sometimes permitted for employer's sons or for sons of union members.

A

No contractor is permitted to indenture an apprentice other than his own son or the son of a member of the union, unless he can furnish the necessary evidence to show that he employs on an average of five journeymen throughout the season. A contractor may indenture his own son or the son of a member of the union provided he can furnish the necessary evidence to show that he employs an average of two journeymen throughout the season.

B

The employer may teach his son the business irrespective of the number of apprentices.

Prohibitions Against Hiring of Apprentices

Some agreements prohibit the employment of apprentices during the term of the agreement or for a given period. Such provisions are likely to occur when unemployment among skilled journeymen is extensive. In such agreements, although no new apprentices may be indentured, replacements are sometimes allowed should an employed apprentice leave his position. Preference in such cases is granted to unemployed apprentices seeking to complete their apprenticeship.

A

Before any apprentice is started in any trade even within the ratio established by the agreement, the employer shall make application to the union headquarters for a competent journeyman. If such journeyman is not supplied within — hours the employer may put on an apprentice if within the established ratio for that trade.

B

No new apprentices shall be indentured during the life of this agreement. Replacements, in the event of an apprentice vacating his position prior to the completion of his term of indenture, shall be given apprentices unemployed and already indentured, if available.

C

There shall be no apprentices employed as long as journeymen are idle in local No. —.

D

No apprentice shall be registered while — percent of the members of the union are unemployed.

E

The employer shall not employ anyone with the intention of indenturing him as an apprentice to any branch while apprentices who have previously been indentured are unemployed.

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Consent of Union Required.

Some agreements, while putting no ban on the employment of apprentices, require the consent of the union, which may refuse as long as there are unemployed journeymen available.

No apprentice shall be put to work by the employer without consent of the union. All apprentices must be registered with the union.

Qualifications for Entering Apprenticeship

The apprentice regulations usually specify certain requirements as to age, education, and physical condition. In general, it is required that the applicant must have an adequate school education for his trade. In some trades applicants may have to pass certain aptitude examinations before being admitted to apprenticeship. A number of agreements require the would-be apprentice to pass a physical examination or produce a medical certificate before being accepted.

Minimum and maximum age limits for beginning apprenticeship are set in many agreements. The minimum age for apprentices varies from 16 to 18 years; and the maximum is usually 21 or 22 years, although in some cases the entrance age is as high as 30 years. Exceptions to the maximum age limit may be made for helpers already in the trade who wish to start apprenticeship, or for sons of journeymen or employers.

A

No person shall be employed as an apprentice until he has reached the age of — years; nor after he has reached the age of — years. However, sons of journeymen union members, sons of the employer, or helpers who have had — years' experience may be taken on at any time provided they are not over — years of age. Applicants for apprenticeship must possess a common-school education and possess good health and aptitude.

B

All apprentices entering the trade shall be required during the first year to pass a physical and technical examination given by a medical doctor and the apprentice committee of the local union. The examination must prove that the applicant possesses a common-school education, is physically fitted to the trade, and has the natural aptitude and ability to make good in the profession.

Union Membership

Requirements governing admission of apprentices into the union are usually covered in the union's constitution and bylaws, rather than in employer-union agreements. Some unions specify that apprentices must join the union as soon as accepted; others, within a specified period thereafter. When a probationary period is established, apprentices are generally not required to join until it has elapsed. Some unions do not admit apprentices until a later period during the term of apprenticeship, or on admission to journeyman status. In almost all instances, however, apprentices must be registered with the union under whose jurisdiction they are engaged before being put to work.

A

Within — days of the date of hiring, apprentices will make an application for union membership, and, during the term of their apprenticeship, will remain in good standing in accordance with the rules of the international union governing apprentice membership.

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B

Apprentices shall be registered with the union before being put to work and shall serve a probationary period of — months. If they are retained in service, such apprentices shall be admitted to membership in the union as required in the international constitution.

C

Upon signing of indenture papers by an apprentice, he shall also make application for membership in the union, as a semibeneficial member and shall pay the same initiation fee and dues as all other semibeneficial members.

D

An apprentice will not be admitted to membership in the union until he has served an apprenticeship and is competent to demand the minimum journeyman's wage.

Qualifications of Employers

Before an employer is allowed to take on apprentices, he must in many cases fulfill certain requirements established by the union. These requirements are designed to insure to apprentices adequate training on all types of work under responsible supervision.

A

No employer shall be entitled to employ an apprentice unless he has the equipment necessary to enable instruction being given the apprentice in the several classes of work agreed upon in the contract with the employer to be taught each year.

B

Apprentices shall not be indentured by this union to any employer who has not been engaged in the ——— business for a period of at least — year[s] within the jurisdiction of this union, prior to making application for an apprentice.

Length of Apprenticeship Period

The length of the apprenticeship period, as specified in the agreements, varies with the complexity of the skills to be acquired. In some unions, the national constitution specifies the apprenticeship term; in others, the term is left for the local to negotiate. The term of apprenticeship varies in the agreements from 1 to 6 years, but is most frequently 3 or 4 years.

Credit for previous work and experience or for having completed vocational-school training or its equivalent, is specifically granted by a few agreements, although the credit given may be limited to a specified period, such as 1 year.

A

Apprentices will be required to serve a — years' apprenticeship. Helpers who have at least — year[s] experience will be credited with — months on their apprenticeship period.

B

Graduates of fully accredited schools recognized by the ——— association and the ——— union, giving a — months' course of instruction and technical training in the ——— trade, shall receive — months' credit for such schooling.

C

Apprentices may be allowed credit for previous apprentice training with any employer recognized by the [union, joint apprenticeship committee], provided such transfer of employment is approved in advance.

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Discharge of Apprentices

In order that the apprentice may be tested as to ability and fitness for the craft, the employer is usually permitted to take him on probation. The probationary period is most frequently 3 or 6 months. If the apprentice shows no aptitude for the trade or no application to the course of training, he may be discharged. After completing probation, however, he is considered a regular member of the working force and can be discharged only under the same rules as govern the discharge of journeymen. When an apprentice fails to make satisfactory progress, however, the employer has the right to terminate the apprenticeship, subject to the right of the apprentice to appeal to the union or to a joint apprenticeship committee.

A

An apprentice who does not display proper ability or aptitude for his trade shall be subject to dismissal at any time during the first — months of his apprenticeship period. All apprentices kept on the job after this trial period shall receive their scheduled increase regularly. Such trial period to be counted as part of the apprenticeship term.

B

No apprentice shall be discharged, suspended, or transferred by any employer without first notifying the proper officers of the association and union in writing and having approval of the joint conference committee.

C

An apprentice, after serving 1 year, shall not be discharged by the foreman except for incompetency, neglect of duty, tampering with machinery, or for violation of office rules: *Provided*, That in the event of such discharge the apprentice shall have the right to appeal to the joint standing committee.

D

While it is the intent of this contract that the apprentice shall be kept for the full term of his apprenticeship, nevertheless the employer is privileged to discharge such apprentice either for incompetency or insubordination, or as the conditions of the business may require.

Reinstatement After Unjust Discharge.

Should any apprentice be thrown out of employment on account of any unjust action of his employer, he shall report the same to the joint arbitration board which shall investigate and, if the boy's complaint is found correct, shall require said contractor to reinstate him. If the contractor fails to reinstate the apprentice, he shall not be allowed any more apprentices, and no other boys shall be registered until this boy has had a chance of being placed with another contractor.

Quits

Penalties often are provided for apprentices who quit before completing their term. They may lose credit for the time served towards their journeyman's card or forfeit the right to finish their apprenticeship in any other shop within the jurisdiction of the union; they may not reenter the trade they have left except by permission of the union; or they may be compelled to return and finish their apprenticeship where they started. In some cases the apprentice may be allowed to leave an employer to enter the services of another, with the approval of the union.

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A

Any apprentice deserting his employment during his apprenticeship shall lose credit for the time he has served toward a journeyman's card.

B

Any apprentice deserting his employment during his apprenticeship, except for good cause, shall not be permitted to work under the jurisdiction of any local union of the international union, but shall be required to return to his employer and serve out his apprenticeship.

C

No apprentice shall leave one employer and enter the services of another employer unless for just cause, which must first be investigated by the union, or in consequence of the death or relinquishment of business by the employer.

D

No apprentice shall leave one employer and enter the services of another employer without the written consent of his first employer and [the president of the union] [joint apprenticeship committee].

Lay-Off

Although some agreements require the lay-off of all apprentices before any journeyman may be laid off, a more common provision requires the maintenance of the ratio in both lay-off and reemployment.

A

Where business conditions require a lessening of the force, the apprentices shall be laid off first according to their seniority.

B

In the event the working force is reduced, and the apprentices employed exceed the ratio provided in this agreement, the last apprentice or apprentices employed shall be laid off to conform with the ratio.

C

In the event of lay-offs, one apprentice shall be laid off to every — journeymen laid off; as employees are reemployed, one apprentice may be put on for each — journeymen hired.

Reemployment

To safeguard the position of apprentices who may be laid off, agreements generally stipulate that they be rehired before new apprentices are taken on.

A

Unemployed apprentices registered with the union shall have preference in employment in any shop under the jurisdiction of the union. No new apprentices may be indentured while there are unemployed apprentices registered with the union.

B

Apprentices laid off by the employer shall have preference in reemployment in accordance with their seniority.

C

An apprentice who has been duly registered by the executive committee, afterwards losing his position through no fault of his own, must be employed in the next apprenticeship vacancy occurring.

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D

When an apprentice is out of employment through failure or retirement from business of his employer or other causes beyond the control of the employer or the apprentice, such apprentice shall have the opportunity for completing his term of apprenticeship in any office regardless of the number of apprentices employed therein: *Provided*, That no more than one such extra apprentice shall be allowed in any shop nor shall any journeyman be displaced. The apprentice's former employer cannot register a new apprentice until the office which gave employment to said apprentice attains its normal ratio.

Guaranteed Employment

In order to avoid interruptions to training by periods of idleness, many agreements require that the employer guarantee reasonably continuous employment to apprentices before they are hired.

A

Any apprentice not being discharged within his first 6 months' apprenticeship shall be guaranteed 4 years' steady work from time of starting to complete his apprenticeship.

B

Apprentices shall be guaranteed not less than — weeks of employment per year and a definite curriculum.

C

An employer assigned an apprentice may take him on trial for 90 days, but thereafter shall undertake to keep him steadily employed at the trade for not less than — months in each year except in case of strikes, lock-outs, sickness, or other unavoidable causes or by action of the joint apprenticeship board.

D

The employer agrees to employ such apprentices continuously for the first — years. Apprentices may be laid off during dull periods but in such cases apprentices shall receive 25 percent of their wages as per this agreement.

Transfers to Maintain Steady Employment.

In some cases, particularly in the larger cities, the union or a joint committee undertakes to insure steady employment to apprentices by transferring them between shops if necessary to prevent unemployment.

A

It shall be the duty and responsibility of the joint apprenticeship committee to provide, insofar as possible, continuous employment to all apprentices. This may necessitate the transfer of registered apprentices from one employer to another, in which case the employer to whom he is reassigned will assume all obligations of the original employer.

B

An apprentice shall work for no other contractor than the one to whom he is apprenticed during the time of apprenticeship, except when an employer fails, or retires from business, then the union shall place the boy in another shop.

Joint Apprenticeship Committees

Some unions establish committees composed of journeyman members to govern apprentices. In other cases, joint committees of employer and union representatives administer the apprenticeship programs.

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A

All duly qualified apprentices shall be under the supervision and control of an apprentice committee composed of four members, two of whom shall be selected by the union and two by the employer. Said apprentice committee shall formulate and make operative such rules and regulations as they may deem necessary and which do not conflict with the specific terms of this agreement, to govern eligibility, registration, education, transfer, wages, hours, working conditions of duly qualified apprentices, and the operation of an adequate apprentice system to meet the needs and requirements of the trade. Said rules and regulations when formulated and adopted by the parties hereto shall be recognized as a part of this agreement.

B

This local shall be a party to the establishment and maintenance of a joint committee, to be known as the "carpenters' apprentice committee." This committee shall be composed of one member appointed by the president of the local; one member appointed by the contractors' association, and one representative of the vocational training department of [name of city] public schools. This committee shall provide a part-time course in training for all apprentices, and it shall be their duty to keep an accurate record of all apprentices and to see that they are given opportunity to learn the trade within the prescribed time, the entire control of apprentice matters to be given over to this committee by the organization represented. Contracts or agreements to be made by which both contractor or employer, and apprentice agree to abide by all rules which the committee may adopt. The committee's decisions shall be final. The committee shall do everything it can to be sure that the right kind of boys attempt and want to learn the trade, and shall assume a moral obligation to the boys, to have them taught the trade, to keep them steadily employed, and to see that they become journeymen when qualified. If the apprentice wilfully breaks the agreement entered into with the apprenticeship committee in his behalf, he forfeits his rights to local protection and places himself subject to discipline from the local therefor and may be dropped from the rolls.

Federal Committee on Apprenticeship.

An increasing number of agreements require the apprentice-training plan to conform to the recommendations of the Federal Committee on Apprenticeship.

It is agreed that a committee representing the company and the union will meet for the purpose of formulating a plan to govern the training of apprentices. This committee will meet with the Federal Committee on Apprenticeship and the union and the company agree to follow the apprenticeship program of the Federal Committee on Apprenticeship.

Training on the Job

The nature of the work to be done by the apprentice while serving his apprenticeship and the manner in which he should be trained is seldom outlined in union agreements. As a rule, agreements merely stipulate that thorough and well-rounded training must be given, leaving the details to be worked out by the employer, the union, or a joint committee. Periodic examinations during the training period are often required. Some agreements give an apprentice the right to appeal to his union or to a joint committee if he feels that he is being given insufficient or improper training.

A

The company will establish and put into effect an apprentice-training course that will guarantee to the apprentice experience in all branches of the trade so that he can qualify as a journeyman at the end of the training period. Such course will be worked out by a joint committee representing the company and the union and when completed will become a part of this agreement.

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No apprentice shall be assigned to any one machine, task, or department for a period exceeding — months, after which he must be advanced through rotation of duties.

B

Both parties to this agreement agree to employ one licensed journeyman qualified in the trade and having experience in the handling of men to take charge and supervise the apprentices. The salary of such licensed journeyman and all other expenses incurred in carrying out the provisions in this agreement will be borne equally by the parties to this agreement. Said journeyman will handle the record and personally acquaint himself with each apprentice to encourage and aid in his complete and efficient education.

C

Apprentices shall be given every opportunity to learn the trade. They shall be rotated on the various work throughout the shop. Foremen and journeymen shall cooperate in furnishing apprentices with the the necessary information to learn the trade. Apprentices may be required to take an examination at the end of each yearly period.

Any employer found not teaching the apprentice in the proper manner, after due investigation by the joint arbitration board, shall be deprived of said apprentice and shall not be entitled to another boy until the end of the period said apprentice's papers call for.

D

The apprentice shall, at all times, work with and under the supervision of a journeyman mechanic.

Training Steps Outlined.

A few agreements contain a brief outline of the major processes to be taught. The example given below is taken from an agreement of the Typographical Union.

Apprentices in their first and second years shall be required to do general work in the composing room. During the third and fourth years they shall work at composition, imposition, or distribution of type and forms. During the fifth year they may hold copy, work at composition, imposition, or distribution and be given opportunity to set ads, job work from manuscript, and assist on make-up. In their sixth year apprentices shall be employed the entire year on typesetting or linecasting machines.

Class-Room Instruction

To supplement the experience gained in the shop, apprentices are sometimes required to take additional training and related instruction either in schools jointly managed by employers and unions, in schools conducted by the union, in public vocational day or night schools, or in classes and lectures managed by a joint apprenticeship committee. Frequently such school training is provided for in the union bylaws or working rules, and not made a part of formal agreements. In some cases school hours may be considered part of the regular working day and are paid for by the employer. The union and the employer sometimes share the tuition cost.

A

All apprentices registered with the joint apprenticeship committee shall be required to attend the [name] School 1 full working day every 2 weeks during their apprenticeship period, which attendance shall be a part of their apprenticeship.

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B

The apprentice must attend the class in [trade] conducted by the union. The union may impose a penalty on apprentices for failure to attend classes.

C

All apprentices on the day shift shall attend the [branch of trade] school one afternoon each week. If employed on the night shift they shall attend school of apprentices one night each week. In both cases time shall be paid for by the employer. In addition they shall be required to go one afternoon or night each week on their own time and the foreman or his representative shall not interfere with the attendance of an apprentice at the [branch of trade] school on his stipulated day or night for attending same.

D

Every apprentice shall attend the ——— Trade School and his employer shall compensate him for all time he is required to spend in attendance at said school at one-half his established rate of wages.

E

It is agreed that the apprentice must take a — year course in the night school of the [name] School, half of the cost of his tuition to be borne by the local union, and half by his employer, and upon his entrance into the school the local union shall see that he attends the same.

F

The employer and the union agree that all apprentices working at the trade shall attend vocational school established for the training of said apprentices.

G

The joint apprenticeship board may arrange classes and lectures of such nature as is deemed best for the purpose of instructing apprentices in lines necessary for their advancement toward becoming proficient workmen.

Penalties for Failure To Attend School.

Penalties are often specified for failure by the employer to send the apprentice to school, or for failure by the apprentice either to attend classes or to make satisfactory progress in his school work. In the former case, agreements usually specify that the apprentice may be withdrawn from the employer; in the latter, dismissal, temporary lay-off, deduction in wages, or other penalty may be specified.

A

Failure of the employer to allow the apprentice to attend school as required will cause the withdrawal, by the joint apprenticeship committee, of the right to employ apprentices.

Failure of the apprentice to attend classes as required—unless satisfactory excuse for being absent is given the instructor—will subject him to discipline by the committee.

B

Beginning with the ——— year apprentices shall be enrolled in and complete the union course of lessons in [branch of trade] before being admitted as journeyman members of the union.

When indentured apprentices fail or refuse to apply themselves and make proper progress in their work on the union lessons in [branch of trade] the local union has authority to defer periodical wage increases for which the contract provides until such time as the apprentice acquires satisfactory degree of competency for time served.

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Rate of Pay

Wage rates for apprentices are graduated up to the regular journeyman rate at the completion of apprenticeship, increases being granted periodically—every 6 months or yearly—for the full term. In a few cases the union does not assume the responsibility for rate setting until after 1 or 2 years of apprenticeship have been completed. Generally, the apprentice's wage, with its stipulated advances, is expressed as a fraction or percentage of the journeyman's wage. Consequently, it varies with the journeyman rate. Sometimes, however, a graduated fixed hourly or weekly wage is provided for the entire term.

A

An apprentice shall be paid at the rate of — percent of the journeyman's hourly rate for the first — months of apprenticeship; and he shall receive an increase of — percent every — months for the remainder of the period. Upon completion of apprenticeship, he shall receive not less than the minimum rate of pay for journeymen.

B

An apprentice shall be paid at the rate of — cents per hour for the first — months of apprenticeship; and he shall receive an adidtional — cents per hour at — month intervals for the remainder of the period. Upon completion of apprenticeship, he shall receive not less than the minimum rate of pay for journeymen.

C

An apprentice's pay during the first year of apprenticeship shall be fixed by the employer; and he shall receive an increase of — percent every — months for the remainder of the period. Upon completion of apprenticeship, he shall receive not less than the minimum rate of pay for journeymen.

Apprentice Must Qualify To Receive Pay Increase.

Occasionally, the wage increases are dependent upon the passing of an examination.

Apprentices shall undergo periodic examinations before the local (union) committee on apprentices. Their work must show if they are entitled to the increased wage scale provided in this contract. The employer or his representative has the right to be present and take part in any and all examinations.

Bonus on Completion of Apprenticeship.

A small number of agreements provide that, in addition to his wages, the employer shall give the apprentice a kit of tools or a specified bonus at the completion of his term.

After a full 4-year term of 7,280 hours shall have been completed satisfactorily, the graduate will be reimbursed for all of the tools he was required to purchase which are in his possession at time of graduation and also be paid a cash bonus. The total amount of this bonus and tool reimbursement shall not exceed $200 (for 3-year course, $150).

Hours and Overtime

Almost invariably, the workday and workweek for the apprentices are the same as for the journeyman. An apprentice, however, is often prohibited from working overtime or on night shifts. Overtime work is permitted in some cases, provided that at least one journeyman is working overtime, or that the ratio between apprentices and journeymen required during regular hours is maintained for overtime work.

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A

No apprentice shall work overtime.

B

An apprentice shall not work overtime except in an emergency, and then only with the approval of the journeymen in the department to which he is indentured, and further, such apprentice shall have served — years of his apprenticeship.

C

No apprentice shall be employed on overtime work in an office unless the number of journeymen employed on the same shift equals the ratio prescribed in this agreement.

D

No apprentice shall work more than — hours of overtime during 1 week, nor more than — hours of overtime on any one shift.

E

The apprentice shall be governed in regard to hours, overtime, and holidays the same as journeymen, except that apprentices shall not be allowed on the night shift or at any time when a journeyman is not employed.

Admission to Journeyman Status

Only a small number of agreements specify the method by which an apprentice, on completion of his term, shall demonstrate his competency and qualifications for journeymanship. In some cases the employer and the union jointly determine competence; in others, the union has established special examination procedures. Some local unions require a written examination, others provide for an oral test; still others call for a practical demonstration on the job. Some unions consider the applicant qualified for journeymanship when he is vouched for by three or more journeymen who have worked with him.

If the apprentice fails to qualify or to pass the journeyman's examination, an extension is generally granted, although in some cases, consent of both parties to such extension is required.

A

Apprentices, after serving — years, shall receive journeyman's wages upon recommendation of an examining committee of the union, and upon vote of the union on said recommendation: *Provided*, That if in the judgment of the committee he shall be deemed incompetent for active membership as a journeyman, the union may extend his apprenticeship: *Provided, however*, That in no case shall the extension be for a greater period than ———.

B

An apprentice, at the expiration of — years of apprenticeship, shall be eligible for journeyman membership and employment as such, provided his competency and good character shall be certified to by the foreman and a majority of the members of the plant.

C

Apprentices, after serving — years, shall receive journeyman's wages upon the recommendations of a committee composed of two members of the union and two representatives of the employer: *Provided, however*, That the action of said committee be ratified by the membership of the union.

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D

At the expiration of his term of apprenticeship, an apprentice shall be entitled to membership in this union and receive journeyman's wages upon recommendation of three members in good standing.

E

At the expiration of his term of apprenticeship, an apprentice shall be entitled to membership in this union and receive journeyman's wages provided he is competent to command the general wages.

F

An apprentice must have worked at the trade at least 4 years, and then pass a practical examination, according to the rules of the union before being transferred to or accepted as a journeyman.

G

Upon completion of the apprenticeship term, the employer will give the apprentice a certificate in writing, designating that the apprentice has satisfactorily completed a full term of apprenticeship in the trade, stating specifically that he is a journeyman.

Seniority Status

Once the apprentice has completed his training and becomes a member of the regular working force, his seniority standing in relation to the journeymen must be determined. In some cases the apprentice is credited with the full term of his apprenticeship, or given partial credit; in other agreements he is granted no credit at all, but is put at the bottom of the seniority list for his particular job classification.

A

At the termination of their apprenticeship, apprentices shall have — year[s] seniority; however, apprentices who are transferred to the journeyman classification shall retain no seniority rights over any journeymen listed on the seniority list at the time of such transfer.

B

If an apprentice is retained in the service upon completing the apprenticeship, his seniority rights as a mechanic will date from the time of completion of apprenticeship.

C

The union and the employer will agree on the seniority standing of apprentices who have completed their term.

LEARNERS

The term "learner" is applied to beginners in occupations or trades requiring a lesser degree of skill than an apprentice and which, consequently, take a relatively short time to learn. A learner is variously defined in agreements as an employee with no previous experience in the industry; or as one who has not worked in the industry for a specified total period of time; or as one who has not heretofore performed the work for which he is hired. As distinct from apprenticeship, there is no formal responsibility on the part of the employer or the union in the matter of instruction. For this reason there is little reference to learners in union agreements except with regard to their wage rates.

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Employers must receive special permission from the Wage and Hour Division, United States Department of Labor, before employing learners at rates below the minimum rates established by law, if such workers are to engage in interstate commerce or produce goods for interstate commerce. The Wage and Hour Division in each case specifies the number of learners that may be hired, the length of the learning period, and their rate of pay. Some agreements merely state that the provisions of the Fair Labor Standards Act regarding learners will be observed:

The provisions of the Fair Labor Standards Act regarding learners will apply in this agreement.

Requirements for Hiring Learners

Very rarely do the agreements specify the conditions for hiring learners or the length of the learning period. Where they do occur, it is generally provided that learners may be hired if there is a shortage of labor and the union is unable to supply experienced workers. In a few cases, the agreements specify that the parties are to meet to consider the need for learners.

A

An employer may employ learners only when the union does not supply skilled help within — hours after requested to do so.

B

Before learners are employed, the matter shall be taken up by the employer with the union, and if the parties do not agree as to whether they are necessary and the conditions of their employment, the matter shall be arbitrated as above provided.

C

The total number of learners shall not exceed — percent of the total number of workers employed in the factory.

D

No more than — learners may be employed at any one time.

Rates of Pay

Learners are generally paid either the minimum entrance salary provided in the agreement or a specified percentage of the minimum scales for experienced employees. Special provisions are sometimes included to cover learners on piece work. Their wage may be figured at the established piece rates set for experienced help, but the minimum guarantee is lower than that for regular experienced operators. The length of the learning period specified in agreements ranges from 2 weeks to 1 year, the most usual terms being 30 days, 60 days, and 3 months.

A

New employees with no experience in this industry may be employed for a period of — months at the minimum entrance salary provided in this agreement.

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B

New employees with no experience in this industry may be employed for a period of — months at a rate equal to — percent of the minimum rate for experienced operators.

C

New employees on piece work will be guaranteed — percent of the minimum hourly guarantee for experienced operators for the first — months of employment.

D

New employees will receive the regular piece rates established on the work they are doing, but will not be entitled to receive the guaranteed minimum rates provided in this agreement until — months after starting to work.

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Chapter 25

Health, Safety, and Insurance

Physical Examinations

It is a common practice in many industries to require applicants for employment to pass physical examinations. In some industries, such as the transportation or food-processing industries, where certain physical defects are a hazard to public safety and health, employees are required to pass periodic physical examinations.

Where physical examinations are required, unions generally seek provisions in their agreements which will insure that the physical standards required by the employer will not be so stringent as to deprive workers of jobs which they can in fact perform, and that the examination may not be used as a means of union discrimination. Many agreements provide that workers may appeal the decision of the employer's physician through the union grievance machinery. Also, the workers may be allowed to present certificates from their own physicians instead of from the employer's physician, or the union may present such certificates in the appeal to the grievance procedure. The employer frequently is required to bear the cost of the examination.

A

Free physical examinations shall be given annually to each regular employee, as well as to all new employees befoie hiring. Each employee shall be furnished a copy of the physician's report. However, passing a physical examination may not be made a condition of reemployment or continued employment except in the case of communicable diseases. Should any regular or prospective employee be denied employment because of the results of his physical examination, such case will be a matter for union action. The union reserves the right to discuss such cases with the employer and to submit certificates from private physicians, whose findings will be given equal weight with those of the company physician.

B

Present employees shall not be required as a condition of employment to submit to a physical examination by a physician in the pay of the employer or its agents but may furnish a certificate of current date from any reputable doctor of the employee's own choosing. Applicants for employment shall be examined by a reputable physician chosen by the employer.

In the case of employees being absent from work due to illness or physical impairment they shall be readmitted to work upon the presentation of a certificate of physical fitness, signed by an accredited physician. This rule, however, shall not limit the right of the employer to require physical examination by a physician in the employer's service in exceptional cases or in cases of constantly recurring absence from duty.

In case a dispute arises over the physical fitness of an employee to return to work or continue to work, a board of three physicians shall be selected, one by the employer, one by the employee, and one selected by the two so named. The decision of the majority of the board shall be final, but no liability on the part of the employer shall be incurred as to back pay antedating the decision of such board.

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C

No member shall be compelled to be examined by a company doctor, but in case condition arises, member involved will be examined by a doctor agreeable to both the employer and the union, and in case any member fails in his examination and member is willing to have a physical fault rectified or treated, his job will be held open for him.

Failure To Pass Physical Examination.

The agreement may contain no provision for an appeal from the decision of the employer's physician. Some agreements which protect present employees against losing their jobs upon failure to pass a physical examination specifically state that new applicants may be rejected.

A

The employer reserves the right to reject any applicant for employment who fails to pass the required physical examination. Should any regular employee fail to pass such examination, the employee will be continued in his present employment and given preference in lighter work suitable to his physical condition.

B

When physical examination is conducted to ascertain the physical defects of conductors, the physical defect so ascertained or revealed shall not act as a bar to continuing in service, provided such defects are not such as to render the employee unfit for satisfactorily performing the duties of a conductor. Reexamination will be made without expense to the employee.

C

The employer reserves the right to dismiss any employee or reject any applicant for employment who fails to pass the required physical examination.

Safety and Health

Most agreements contain only general provisions concerning safety and health, although a few of them go into much detail. In particularly hazardous occupations and where the public's safety is at stake, the agreements may include detailed rules and requirements. Generally, any differences between the union and the employers regarding safety and welfare may be referred to the regular grievance or other joint machinery for adjustment. Under some agreements reference is made to a special safety committee which may be a joint management-union committee or one composed solely of union members.

A

The working conditions in the establishments of the employer, and the condition of all equipment and tools, must comply with the health and safety regulations of the State of ——— and the United States Department of Labor. Where such conditions are not specifically covered by legislation, or when there is evidence that safety standards are not being complied with, they shall be presented to the employer for adjustment through the union safety committee. No employee will be required to work under conditions where in the opinion of the union or of the management it would be hazardous or unsafe for him to do so.

B

The parties hereto recognize the importance of safety provisions in the plant for the welfare of the employees and for the protection of the employer's property. The employer agrees to make every effort to improve any safety defect which the union may call to its attention from time to time.

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C

The company shall continue to make all reasonable provisions for the safety and health of the employees during the hours of their employment and the union will cooperate in maintaining the company's rules regarding health and safety.

Safety Committees and Meetings.

A

A permanent safety committee will be appointed by the union from among its members, to investigate, discuss, and submit remedies for any unsafe working conditions that may exist, these remedies to be submitted to the employer so that the unsafe conditions may be corrected.

B

There shall be a safety and sanitary committee to make regular inspection throughout the factory for unsafe and unsanitary conditions. The committee shall report their findings to the company for its consideration and adjustment. This committee shall consist of four persons, two of whom shall be appointed by the company and two by the union.

C

Safety meetings will be held by the company, periodically at intervals of not more than once a month, and it will be necessary that all employees attend such meetings

The duly appointed representatives of the union and of the company shall continue the joint studies and investigation of safety practices for the purpose of suggesting improvements which may be agreed upon from time to time without disadvantage to either party.

Accidents and First Aid.

Agreements may require that the employer maintain first-aid facilities in the plant, that applicable statutes be complied with, and that all accidents must be reported by the injured employees. Since most State workmen's compensation laws require the reporting of accidents by the employer, most agreements do not mention this although conformity to the law is occasionally specified.

A

The employer will maintain a dispensary with a registered [nurse, doctor] in charge at all times, for emergency treatment of accidents and indisposition of employees during working hours.

B

The foreman or supervisor shall, as in the past, investigate the cause or causes of every accident to establish facts required for the prevention of similar accidents in the future and to provide information required by the workmen's compensation law.

C

All injuries, no matter how slight, must be reported and given first aid promptly, either in the first-aid room or at the cabinet in the mill, by the foreman in charge.

Safety to Public.

In industries or occupations in which the safety or health of the public may be directly affected, union agreements sometimes contain provision for the protection of the public as well as the workers.

A

No driver shall take out a vehicle not in safe operating condition and equipped with all safety appliances as prescribed by law.

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B

All equipment and motor coaches shall be in good working condition. The union agrees that its members will use all safeguards furnished or required by the company and will work safely at all times.

C

The employer shall maintain his [barber] shop in a clean and sanitary condition. Employees shall maintain a personal cleanliness at all times.

Sanitary Conditions.

Special provisions designed to improve health, safety, and comfort appear in many agreements. The exact nature of these clauses is dependent, of course, upon the kind of workplace, type of work performed, etc. If the employer furnishes living quarters as, for example, with seamen, the agreement may specify certain standards for sleeping and eating arrangements. An increasing number of agreements, particularly those covering "dirty" occupations where workers must change from street clothes, require the furnishing of shower baths, lockers, and dressing rooms.

A

The employer will maintain the workrooms and washrooms with heat, light, and plenty of hot water.

A room shall be provided where employees may eat their lunch.

B

Workers shall be furnished with lockers and with a clean, light, sanitary room where they can change their clothing.

C

A shower bath, towels, and soap shall be provided for the use of men after completing their work.

D

Pure drinking water shall be supplied whenever necessary throughout the establishment. Drinking water shall be iced during the summer months, from June — to September —.

E

All members of the crew shall be furnished with soap in sufficient quantity and with clean sheets and pillowcases; clean face and bath towels shall be furnished and changed twice weekly. Blankets shall be laundered at least once a month, if possible; and when crew replacements report on board a vessel, they shall be provided with freshly laundered blankets, sheets, pillowcases, and towels. Members of the crew are not to be furnished with straw or excelsior mattresses or pillows.

Special Occupations.

Regulations for the protection of the health and welfare of workers in hazardous occupations or in industries in which occupational diseases are prevalent are sometimes specified in union agreements.

A

It is recognized that, unless regulated, the use of the spray equipment is injurious to the health of the men concerned. However, it is agreed that in instances herein specifically mentioned (which the parties agree are less hazardous, although still involving danger to the men) the use of spray equipment may be permitted, provided that every reasonable device and method be adopted to minimize the

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danger and hazard to the men involved and that all appropriate regulations of State and municipal departments, commissions, and health officers are observed including the rules and regulations of the Industrial Accident Commission.

Subject to the provisions and conditions above specified, the use of the spray equipment is permitted only in the following situations and in no others: [The situations may be listed.]

Exceptional conditions not covered by these regulations shall be referred to the joint committee for decision before starting the job. All requests for decision shall be made in writing and the applicant agrees to abide by any and all decisions of the joint committee.

B

Employees working on lead shall be examined periodically and those susceptible to lead poisoning shall be transferred to another department where there is less exposure and, if practical, to a position carrying substantially the same pay.

C

Paint materials which are suspected of being injurious to health are to be investigated by the joint trade board for the purpose of their regulation or elimination.

D

Adequate ventilation shall be provided to remove spray-gun, smoke, and dust effusions from the working quarters.

E

No member or members of this union shall be allowed to work on any outside scaffold unless the same is not less than four 12-inch planks in width when same is used only for our members, same to be provided with a handrail, curb board, and cover, cross supports not more than 6 feet apart, but if necessary to place brick and mortar thereon with the workmen, the same shall be not less than 5 feet in width and shall include a handrail.

F

During the winter months or inclement weather, as a safety device a man shall be placed at the foot of all ladders exceeding 20 feet in height, who shall receive his regular rate of wages.

G

Outside men will not be required to work in the rain except in emergencies. The employer will furnish raincoats and boots for all men required to work outside in wet weather.

H

When work is being done on or in close proximity to energized conductors or energized parts of high-voltage equipment in vaults or substations, two journeymen shall be required.

I

Seats shall be provided for streetcar operators and all cars and busses shall be properly equipped by the company before being taken out of the barn or garage for runs.

Insurance and Benefit Plans [1]

Traditionally, unions have never been enthusiastic over insurance or pension plans on a company basis, and in some instances have actively opposed them. This has been particularly true with respect to old-age or retirement benefits. The basis for this opposition lies in the inherent nature of such plans—that is, the necessary continuance

[1] Union benefit and insurance programs are not discussed here. A great many of the unions provide death benefits, quite a number provide some form of old-age assistance, and a few have sick-insurance programs for their members.

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of the employment relationship with the company in order to receive the benefits.

A further reason for labor's skepticism is the fact that under most company pension plans the employer reserves the right to curtail or to discontinue the pension plan at will and employees have no guarantee that they will receive the old-age assistance which they had been led to expect. Most of the company pension plans inaugurated before the Federal Social Security Act were actuarially unsound and had to be drastically curtailed or discontinued when the full impact of cumulative pension payments was reached. Also, there is the hazard of the company's going out of business, causing an abrupt stoppage of payments to existing pensioners as well as discontinuance of the program.[2]

While opposed to company plans, organized labor actively participated in securing governmental pension programs, such as are provided by the Railroad Retirement Act and the Federal Social Security Act. With the passage of this legislation in 1935 the impetus for company-wide pension plans has declined, although a few companies have programs which supplement the benefits provided by law. These, however, are usually not incorporated in their union agreements.

Life Insurance.

Group life insurance, usually placed with insurance carriers, is in a somewhat different category from company old-age pensions, especially if employees have the privilege of continuing their policies should they leave their present jobs. Where group-insurance plans exist, the details are rarely incorporated in the union agreements. If insurance is mentioned at all, the clause is usually confined to a statement that the existing plan shall be continued. Some agreements, however, provide for group life insurance. A few specifically state that there shall be no insurance programs to which employees are required to contribute.

A

The employer will bear and pay the cost of group life insurance to the amount of $—— upon the life of each employee covered by this agreement who has been employed for —— months, while continuing in such employment or while holding office in the union which requires his absence from such employment, subject to the acceptance by the insurance company writing such insurance, of any new employee as a risk.

The employer will also bear and pay the cost of a group health policy covering each employee covered by this agreement, while in such employment or while holding office in the union which requires his absence from such employment, for $—— per week against becoming wholly and continuously disabled and prevented from performing his duties by sickness or injury. Reasonable rules and regulations shall be promulgated by the employer to make effective the intent and purpose of this provision.

B

The company will make available to all employees of greater than 6 months' service life insurance and accident and health insurance on a voluntary basis. The company will pay a substantial proportion of the premiums and a nominal charge will be made to employees, as described in special booklets issued on these subjects.

[2] An instance of this was Morris & Company, of Chicago, which inaugurated an old-age pension plan in 1909. In 1923 it sold out to Armour & Company. Employees entitled to pensions petitioned the court. The matter dragged through the courts for 5 years when, in 1928, the Supreme Court of Illinois decided that the Armour Company was under no obligation to continue the pension program of the company it had purchased.

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C

The company hopes to continue the present plan of group life, health, and accident insurance, which is available to all employees who desire to accept it, but the right is expressly reserved by the company to change or terminate it at any time.

D

The present insurance plan shall be continued. Each employee shall pay toward the cost of the insurance — cents per week, and the employer shall pay an equal amount.

E

There shall be no compulsory insurance deductions from the employee's pay during the life of this agreement.

Accident Insurance.

A number of agreements require that the employer carry compensation insurance for all the workers, although most employers are also required by law to do so.

A

Members of the association shall carry compensation insurance for each and every employee and no member of the union shall work for an employer who has not provided compensation insurance. Employers shall on demand furnish to the union proof that compensation coverage is carried for all employees.

B

The employer agrees to carry compensation insurance for and upon all his employees, as required by law.

Sickness Insurance.

Most unions do not object to sickness insurance programs established on a company-wide basis although some have been reluctant to endorse such plans because of the necessary accompaniment of physical examinations and medical supervision. A number of the mutual sick-benefit associations started as welfare programs in nonunion plants have continued in operation after the plants were unionized. By and large, however, there are relatively few formal sickness-insurance plans in effect at the present time and reference to them occurs very rarely in union agreements.

A

The object of this plan is to extend financial aid to its participants in case of sickness or to their beneficiaries in case of accidental death.

The insurance is carried by a group of employees of the ——— Corporation with the [life insurance company] and provides benefits for accidents, sickness, accidental death, and dismemberment.

1. New employees will become eligible upon the completion of 1 month of service if actively employed at that date.

2. No medical examination will be required of employees if they subscribe for the insurance within 30 days fom date of eligibility. After that period they can obtain the insurance only by passing the medical examination at their own expense.

B

It is a desire on the part of the union that the industry should establish a system of sickness, accident, and life insurance for the benefit of the members of the union. When the time is ripe for the same, it is agreed that the union, by giving 30 days' notice in writing to the employer, may call a conference and discuss the entire matter * * *. All the expenses of said insurance plan when adopted, including the payment of any premiums, shall be borne equally by the employers and the union.

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Medical and Hospital Expenses.

Provisions which require an employer to furnish medical and hospital service for his employees without cost to them are rarely found except in agreements covering workers whose duties require them either to be away from home for considerable periods or to live in isolated communities where such services are not ordinarily available. In the Alaska fishing industry and in the logging industry in some areas, for instance, agreements may require the employer to provide medical and hospital service.

A

Medical, dental, and surgical services shall be furnished by the company free of charge. Dental service shall consist of extractions and the treatment of infections resulting from said extractions.

B

The employer agrees to provide medical attention and hospitalization for all employees without charge, it being understood and agreed that such hospitalization and/or medical attention shall be provided for any employee not more than 15 consecutive days during any given illness.

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Chapter 26

Miscellaneous Provisions

In addition to the subjects already treated in previous chapters, agreements contain a wide variety of other provisions, in many instances related to special circumstances in a particular industry or plant. Some clauses included in this chapter would warrant fuller discussion except for the fact that they are referred to in only a limited number of agreements.

Working Foremen and Employers

In order to maintain employment opportunities of union members and to maintain union wage-and-hour standards, many agreements limit the performance of production work by foremen and employers and regulate the number of foremen and firm members who may work. These provisions are inserted to prevent persons who are not subject to the terms of the agreement from doing work which the union believes should be done by its members. Provisions prohibiting production work by foremen customarily permit such work in emergencies or for the purpose of instruction.

A

The foreman or assistant foreman may not take the place of any worker or perform any production work except in an emergency or for purposes of instruction.

B

It is the duty of a foreman to organize his department for the greatest efficiency. This may or may not require him to do certain manual tasks. However, no foreman in any department shall take work that is regularly assigned to other employees in his department unless an emergency exists that requires his special attention or unless for the purpose of giving instruction.

C

Firms consisting of more than one employer, only one shall be permitted to do productive work in the factory and any of the crafts. Such employer shall comply with the hours of overtime and employment, etc., as designated in this agreement. Nonobservance of this clause shall be considered a breach of this agreement.

D

A contractor who has signed this agreement may work as a journeyman painter, provided he has — or more journeyman members of local union — at work on the job he is working on.

E

The foreman will not be allowed to perform any work on production; if he does, he will be required to join the union.

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Union Membership Status of Foremen.

Foremen and other supervisory officials are almost always specifically excluded from coverage under the union agreements, and therefore do not become union members. (See ch. 2, p. 24.) In contrast to the general practice, the inclusion of foremen as members of local unions is a well-established practice in certain fields, such as the printing and building trades. In these instances, the foremen are generally nonvoting members in the union and are not eligible for election to office. Such regulations covering foremen are confined to the union's constitution, however, and are not found in agreements with employers. Agreement clauses merely specify the status of the union foreman and protect him from union discipline for his actions on behalf of the employer.

A

No foreman shall be subject to fine, discipline, or expulsion by the union for any act in the performance of his duties as foreman, when such action is authorized by this agreement, provided this shall in no wise abridge the right of the union to apply its laws as they affect all members thereof.

B

The foreman shall be a card member of the union, but he shall be directly responsible to the employer for the conduct of the men under his direction and the economical administration of his department.

Changes in Plant Site or Location of Employment

Removal of Plant Restricted.

Unions complain that some employers have attempted to evade their responsibility under the union agreement through removal of plants to outlying, nonunion areas. To forestall this, some agreements prohibit the moving of the plant beyond a specified limit.

It is further agreed that the employer shall not move his factory to any location that is beyond a 10-cent-fare radius from the present location during the term of this agreement.

Removal of Plant Allowed.

Other agreements place no restriction on moving the plant, but provide certain safeguards on employment status and seniority of present employees if the plant is moved.

A

The company agrees that, in the event of moving the plant from the city of ———, employees shall have the privilege of going with their jobs, and retaining their seniority in case replacement work of equal value has not been provided.

B

If the company is forced to move by conditions beyond its control, the terms and conditions of this contract shall be subject to modification by negotiation.

Employer to Pay Costs of Transfer.

It is a common practice in the railroad industry, and occasionally in other industries, for workers required by the employer to change their places of residence to be furnished free transportation for themselves, their families, and their household goods. The basis for this practice has been the contention of the unions that if an employer

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requires his employees to change their place of residence, the costs of household moving should be considered a part of the cost of operating the business and should be paid by the employer.

A

When change of a division or train run requires men to change their place of residence, they will be furnished free transportation for their families and household goods.

B

The company agrees to pay each present and former employee of the ——— plant on the pay roll between [date] and [date] and who continues on the pay roll, a travel allowance of 40 cents per working day or fraction thereof until [date].

The company agrees to move household belongings of employees moving to within 10 miles of the ——— plant prior to [date].

Employment of Out-of-Town Workers

Although many local unions have adopted rules governing the transfer or temporary employment of union members from out of town, such matters are seldom found in agreements. In the construction industry, where the employers are sometimes out-of-town contractors who desire to bring their own working force to perform a particular contract, more detailed regulations are included in agreements.

A

The contractor agrees that on all work performed within the town of ———, at least 75 percent shall be members of local union —. In case of an odd number local — shall have preference. A member of the [international union] depositing his clearance in local — shall not be eligible for employment under the 75-percent quota until 30 days have elapsed from the time his clearance card is accepted by local union —.

B

No contractor or foreman working in this district shall send outside this district for men or bring men into this district without first applying to the business agent for men.

Aged, Handicapped, and Injured Workers

Aged workers and those who for other reasons are unable to perform their regular work are sometimes assured transfers to other types of work. (See also p. 36, dealing with wages for such persons.)

A

It is recognized between the parties hereto that a number of the employees may for special reasons or physical incapacities during the course of this agreement be incapable of fully performing the duties of their respective employment, and it is agreed that these employees shall be transferred to lighter work which they are capable of performing.

B

It is realized there are on the pay rolls of the company old employees who have been with the company for a number of years and who could not find satisfactory employment elsewhere, but who are partially or almost wholly incapacitated because of age, health, irregularity of attendance, or other reasons. The company in its discretion will endeavor to keep all of these old employees at some kind of work and at a wage which will enable them to live without charity.

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C

Should an employee, because of an infection or an allergy produced by the work in which he is engaged, be transferred to other work, and such employee is not incapacitated and is able to perform other work, there shall be no reduction in his rate of pay until in the opinion of the company doctor he is completely recovered. At that time he shall be given an opportunity to return to his original job. Should he decide against returning to his original job he shall be permitted to take other work, if other work which he can perform is available, where he will not be exposed to the conditions which apparently caused the infection or allergy, and he shall be paid at the rate that applies to the new work. Should he return to his original job and become affected the second time and again be transferred to other work, he shall be paid the regular rate of pay for the original job until in the opinion of the company doctor he has completely recovered. He shall then be given work where he will not be exposed to the conditions that caused the infection or allergy, if such work is available, and shall be paid the prevailing rate for such work.

Employment of Older Workmen.

In contrast to the above provisions which relate only to present employees of the employer, a few agreements specifically prohibit any restrictions as to age limits in the hiring of new employees or, in rare instances, require employment of a certain number of older persons. The latter would occur where a local union has a large number of old members out of work.

A

An employer employing — or more journeymen shall take in his employ at least one journeyman of 55 years of age or over for every — men in his employ, to be designated by the union and employed at the prevailing rate of wages set forth in this agreement.

B

The company agrees that there shall be no maximum age limit in the hiring of men.

Citizenship and Race Requirements

A few agreements restrict employment to persons who have taken out first citizenship papers or prohibit the employment of aliens altogether. (The constitutions of a few unions have citizenship and race requirements for membership. Where such exists, the ban would be in effect under a closed-shop agreement even though there was no mention of it in the agreement.)

Citizenship Required.

A

No one shall be employed by the company who is not an American citizen unless mutually agreeable to the company and the union. Within the meaning of this contract, a person who has taken out his first citizenship papers shall be considered an American citizen unless the person fails to exercise reasonable diligence in completing citizenship requirements.

B

The corporation declares as its policy that only citizens of the United States will be hired, and those presently employed and not citizens must make application within 30 days after notice from a joint committee of the corporation and the union, or be discharged.

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Racial Discrimination Prohibited.

Provisions regarding racial discrimination are infrequently found in agreements. Occasionally agreements specifically prohibit such discrimination or set up standards by which the proportion of Negroes to white employees is to be determined.

A

No person shall be discriminated against in any way because of race or color.

B

All jobs previously operated by colored workers shall continue to be operated by colored workers and no other workers shall be assigned to such jobs. All jobs previously operated by white workers shall continue to be operated by white workers.

Child Labor

Prohibitions and restrictions of child labor were much more common in earlier agreements than they are today. With the adoption of State child-labor laws, and especially since the restrictions on child labor in interstate industries included in the Fair Labor Standards Act (1938), reference to child labor in union agreements has become less frequent.

A

The employer agrees that no person under — years of age will be employed.

B

No person under — years of age will be employed in any hazardous occupation.

C

The employer shall comply with all laws and regulations of the State of ——— regarding child labor.

Employment of Women

A few agreements contain special provisions dealing with the work to be performed by women. These usually restrict women to certain jobs or provide that work presently being performed by men and by women shall continue to be performed by them. Very infrequently is there special reference to married women, although this occurs sometimes, especially in agreements negotiated during a depression when jobs are scarce. (See also Sex Wage Differentials, ch. 3, p. 36.)

A

No female help shall be permitted to do any work on the [name of machine].

B

No female employee shall be allowed to perform journeyman's work but shall be permitted to do work customarily done by women.

C

Female employees shall not be required to lift weights in excess of — pounds.

D

In no event will male employees be transferred to female jobs or female employees to male jobs.

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Married Women.

A

The company agrees not to hire nor continue in employment married women, unless such married women have no other means of support.

B

The company agrees to adopt and maintain as a part of its labor policy that the marriage of any female employee (hereafter employed) shall terminate her employment with the company.

Working Rules

A complete outline of plant working rules rarely appears in union agreements. Existing rules may be incorporated into the agreement by reference. The employer, sometimes subject to the union's approval, may be given the right to establish "fair and reasonable" rules for the operation of the plant and conduct of the working force. In some cases the rules are established only after joint negotiations. Some agreements require that changes in the working rules must be mutually acceptable. Generally there is a provision that the working rules may not conflict with the terms of the agreement, or, in a few cases, with the existing bylaws and regulations of the local and of the international union.

A

The present shop rules shall be posted in a conspicuous place and shall continue for the duration of the agreement. Any changes or new rules must be mutually acceptable.

B

The company may make any rules and regulations necessary for the conduct of the business and they shall be obeyed insofar as they do not conflict with this agreement, the present bylaws and working rules of the local union, and the laws of the international union.

C

Employees shall comply with any reasonable rule not in violation of the agreement.

Outside Activity

A few agreements, principally covering professional employees, permit the employees to do work or to sell their services to other persons or companies than the employer. Generally this provision is accompanied by a requirement that the employees' regular work shall not be interfered with.

A

Reporters are free to contribute material to magazines, syndicates, or noncompeting newspapers, provided such material is prepared on the employees' own time.

B

Employees shall be permitted to sell or otherwise to dispose of their services, provided company time is not consumed nor the company's legitimate business interests infringed upon, and provided the company gives its consent. Such consent shall not unreasonably be withheld.

C

Employees shall not work for other companies without the approval of the company and the union; such approval may be reconsidered by either party.

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Patent Rights

A few agreements contain clauses dealing with inventions and improvements made by an employee. The most favorable clause from the standpoint of the employee is one under which any invention or improvement clearly outside the scope of the employee's regular duties belongs to the employee.

A

Inventions made by an employee or employees of a nature and subject within the scope of the duties for which he or they have accepted employment or in the development of which it is clear that the employer's time, facilities, processes, or materials have been used, are assignable to the employer. All other inventions or improvements shall remain the property of the employee or employees inventing same.

B

The company shall not exact or require as a condition of employment or as part of its contract of employment that any invention or improvements made by an employee shall belong to the company, except as provided in the company's "patent compensation plan," which said plan is incorporated in this agreement.

Charity and Other Collections

Provisions are sometimes included in agreements to remove the possibility of intimidation in collections for charitable purposes. The purpose of such provisions is to prevent an employee from being forced to contribute against his will or to causes or organizations not approved by him.

A

All collections for charitable purposes shall be made only by the union, and then only as it deems advisable, upon approval by vote of the membership.

B

No employee shall be required to contribute to any other employee or his or her employer. Proof of the acceptance of any contribution from any employee shall be cause for the discharge of the person accepting same.

C

The employees shall not be compelled to contribute to any charitable collection. All contributions of this nature shall be on a purely voluntary basis.

D

Any heads or foremen of departments who accept or receive gratuities, donations, or presents from those working under them shall be immediately discharged.

Personnel Records

A few agreements contain provisions specifying that employees or the union shall be informed of entries in the personnel files, especially those which are unfavorable to an employee. In some agreements the entry may become a matter for negotiations and, if unjustified, must be removed. In other agreements the union or the employee may submit a reply to an unfavorable entry which becomes part of the record. (Although not included in their agreements, a number of companies follow the policy of reviewing their rating reports with the individuals concerned, sometimes with the union steward present.)

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A

The union shall have access to the company's personnel files at all times and any subject therein contained is a proper subject for collective bargaining.

B

Copies of all entries in an employee's personnel file shall be submitted to the employee. The employee may file a reply to any entry within 10 days, which shall become part of the record.

C

A copy of any unfavorable report concerning an employee's record with the company shall be submitted to the employee concerned at the time of recording.

Identification Badges

Clauses dealing with identification badges are found more often in company rules than in the agreements themselves, although a few contain such clauses. The purpose of requiring badges, of course, is to prevent unauthorized persons from entering the employer's premises.

Each workman when employed will be given an identification badge, which must be worn in plain sight at all times at or above the waist line and below the shoulder. If the badge is lost, a charge of $2 will be made to cover cost of replacement. If lost badge is later found and returned a refund of $1 will be made.

Availability of Agreement

A majority of the union agreements now in effect are in typed or mimeographed form, copies generally being available only to management and union officers. Although members do not have copies, this does not indicate that they are not familiar with the terms since these are discussed at union meetings and in informal conversations between members and their union representatives. Copies may also be posted on the plant bulletin boards or in the union office. Many unions and employers, especially in large plants, consider it desirable to have their agreements printed and distributed among all employees. While many unions assume this responsibility, a number of agreements provide that the employer shall print and distribute copies to all employees.

A

The contract shall be printed and distributed by the company to each employee on the pay-roll on signing of the contract as well as to each person who is hired or rehired.

B

As a means of educating all employees as to their obligations, rights, and privileges under this contract, the company agrees to furnish (at its own expense), a copy of this agreement, together with all plant rules, in pamphlet form, to each employee now on the company rolls, and to each new employee at the time of hiring.

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Chapter 27

Extension of Scope of the Agreement

Important clauses in many agreements, particularly those with employers' associations and large corporations, are provisions outlining the conditions under which the scope of the agreement is to be extended to cover new members of the association, or new plants of the corporation. Related to these are clauses specifying the status of the agreement in case the employer changes his identity, by merger or otherwise. The terms which the union offers in extending agreements to competitors of the employer are also controlled in some agreements.

Also important, in considering the extension of the union working conditions over as wide an area as possible, are those clauses dealing with the problem of contracting. Most agreements do not prohibit contracting work out, but require the maintenance by subcontractors of working conditions at least equal to those specified in the agreement. In some agreements the subcontracting shops may be only those which have signed agreements with the union.

Employer Associations

When an agreement is entered into by an association of employers on behalf of its members, it generally specifies that the terms agreed upon are applicable to all the association's members. Some agreements, however, provide that terms are binding only upon the members who ratify it or who authorize the association to enter into such an agreement. Agreements sometime specify that a copy of such authorization shall be furnished to the union so that the union may know definitely which employers are bound by its terms. In a few agreements in the New York City women's clothing industry, and in scattered instances elsewhere, the employers' association is required to secure the consent of the union before new companies are admitted to membership.

Agreement Binding on All Association Members.

The association represents that its members have agreed to be bound by the terms of this agreement and have authorized the association to enter into this agreement on their behalf and on behalf of the association and that it will submit to the union written certificates of authorization by the individual members of the association, who are to be bound by the terms thereof.

Such members of the association who fail to sign a certificate of authorization, and submit the same to the union, shall not be entitled to the benefits of this agreement.

Before admitting a new member, the association shall inform the union in writing of the application for membership. If a strike or dispute shall be pending between the applicant and the union, the union shall so inform the association within 5 days after receipt by it of the pending application for membership. The applicant is not to be admitted as a member until all disputes have been adjusted.

Responsibility of New and Resigned Members of Association.

Provision is often made that companies which join the association after the agreement is negotiated shall be bound by the agreement dur-

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ing its life; also that a company is bound by the terms of the agreement even though membership in the association is terminated by resignation, suspension, or expulsion. (Such provisions prevent undercutting of standards by competing firms.) A few agreements state that a resigning company is bound by the agreement but those which are suspended or expelled from the association are not bound. In the latter circumstances, the union must negotiate a separate agreement with the company which is no longer a member of the association.

A

All members of the association at the time of the execution of this agreement and the persons, firms, and corporations becoming members thereof subsequent to the date of the execution of this agreement shall be and continue to remain personally and individualy liable hereunder for and during the term thereof irrespective of whether said member shall cease to be a member of the said association prior to the date set for the expiration of this agreement, and such liability shall be decided to have survived the termination of such membership and shall continue for and during the full term hereof.

B

It is further understood and agreed that if any employer shall resign, be suspended, or expelled from the association, this agreement and the terms thereof shall not be deemed to be of any force or effect, and shall be a nullity as concerns said employer, from the time of its said resignation, suspension, or expulsion from the association, and the union may forthwith demand the execution of a new and independent contract with the said employer.

Change of Employer's Identity

In order to prevent a termination of the agreement before the expiration date because of mergers and other changes in corporate identity, a number of agreements explicitly state that the agreement is binding on the successors and assigns of the company. In contrast, a few agreements expressly state that the agreement is not assignable. The latter type is occasionally modified by the requirement that present owners must use their "influence" with a successor company in order to preserve the existence of the agreement.

Agreement Binding on Successors.

A

This agreement and all its terms shall be binding upon the employees and the employer as well as its successors, transferees, lessees, assignees, and all persons to whom the employer might sublet its work or any portion of its work or any portion of its plant and shall be binding upon said employer in the event that the employer alters the location of its plant anywhere in the United States.

B

If, for any reason, any employer shall change its name or legal status or the union shall change its affiliation or status, it is agreed that such changes shall in no manner modify or affect the binding obligation of this agreement or the carrying out of the terms thereof.

C

This agreement can be terminated before its expiration date only by the bona fide liquidation of the company; otherwise, the terms of this agreement shall continue in effect and remain binding upon the company, even though the name thereof may change and regardless of where the business of the company may be carried on.

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D

The employer shall not enter into partnership or consolidate or merge with another person, firm, or corporation in the industry, unless the new firm thus formed assumes all the obligations to the employees of the constituent firms thus merged.

Agreement Not Assignable.

This agreement is not assignable. In the event of change of management or sale of the company, the present management shall do everything in its power to insure the continuation of this agreement during its prescribed period.

Extension of Agreement to Additional Plants

Agreements with individual employers may specify the plants to be covered or may state that the agreement covers all plants or shops owned by a company. A few state that the coverage is to be automatically extended to plants acquired by the company after the agreement was signed.

A

The employer agrees for the term of this agreement that the conditions and provisions of this agreement shall apply to any and all plants of the employer now in existence or to be opened in any locality in the future.

B

In the event that the employer shall open any new stores in the city of ———, said stores shall be under and subject to all terms created and set forth in this agreement, full-time force to be determined by consultation of the parties to this agreement.

Extension After N. L. R. B. Certification.

In some cases the agreement is automatically extended to cover additional plants only after the union has been certified as bargaining representative in such plants by the National Labor Relations Board.

A

The company recognizes the [name of union], as the exclusive collective-bargaining agency for those employees in such of the company's plants as have been, or in the future may be, certified by the National Labor Relations Board, or by stipulation or consent are recognized as being represented by [name of union].

B

In case [name of union] shall be certified as the bargaining representatives for any additional bargaining units, the matter of including such unit under the terms of this agreement shall be negotiated between the personnel staff of the corporation and the international officers of the union; it being understood that plants producing cars, trucks, bodies, or automotive parts similar to the material now being produced by plants covered by this agreement, shall be included after giving due consideration to any local wage classifications, rates, understandings, or practices as may exist.

Extension of Agreement to Competing Firms

Employers under agreement are particularly interested in seeing that the union does not offer better or more advantageous terms to their competitors. Consequently, agreements, particularly those with an employers' association, frequently contain a pledge by the union not to sign an agreement containing "more favorable" terms with any

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competitor of the signatory employers. In some cases it is provided that the agreement becomes null and void if more favorable agreements are signed with competitors; in other cases, the more favorable terms automatically are included in the existing agreement.

In order that the employer or the employers' association may enforce these provisions, it is sometimes provided that the union furnish the employer or the association with a copy of each agreement it negotiates with other employers in the industry or area.

More Favorable Terms Not Allowed.

The union agrees that it will not during the term of this agreement sign an agreement containing more favorable terms with any nonmember of the association in the ——— area.

The union shall upon request made by a duly authorized representative of the association exhibit any and all agreements entered into between the union and the nonassociation manufacturers.

More Favorable Terms Included in Existing Agreement.

Should an agreement be signed during the term of this agreement with a competitor of the employer in the ——— area containing more favorable terms than those in this agreement, such terms will immediately and automatically become a part of this agreement.

The union agrees to file with the employer copies of all agreements entered into by it with other manufacturers in the city of ———.

Agreement Nullified if More Favorable Terms Granted Competitor.

Should an agreement be signed during the term of this agreement with a competitor of the employer in the ——— area containing more favorable terms than those in this agreement, this agreement will immediately become null and void.

Within 10 days after every agreement is made by the union with any manufacturer in this industry, a true copy of such agreement and of the piece- and time-work rates to be paid by such manufacturer shall be filed with the institute [employers' association].

Union Pledge To Organize Competitors

In some cases, in an effort to achieve uniform labor standards, the agreement will contain a provision pledging the unions to use every effort to secure similar agreements, if possible, with all competitors of the signatory employer or association of employers in a given city or area.

A

An agreement in all particulars the same as this one, will be entered into and maintained, if possible, between the union and all competitive plants in [city] to take effect and continue in force for a like period of time.

B

In further consideration of the entry into of this agreement, the union obligates itself actively to organize and sign agreements with the manufacturers of the city of ——— with whom at present the unions have no agreements. A list of such manufacturers is hereto annexed and made a part hereof.

Contracting and Subcontracting

Unions sometimes fear that employers may contract work out in order to save on labor cost by having work done in plants where wages and working conditions are less favorable than those in the

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employer's own plant. Also, by securing competitive bids on work to be contracted out, employers may force down prices often at the expense of workers in the contracting shops. Therefore, in some agreements contracting is prohibited altogether. More frequently, agreements stipulate the conditions under which contracting will be allowed, such as that the employer's own plant must be fully supplied with work and that the contracting shops be either under agreement with the union, or maintain wages and working conditions at least equal to those in the employer's own plant.

Contracting Prohibited.

All work shall be performed on the employer's own premises; there will be no work contracted out during the term of this agreement.

Contracting Allowed.

A

In the event all employees under this agreement are fully supplied with work, and there remains excess work to be done outside the shop, no work shall be sent to a shop or firm which is not under contractual relations with the union. The employer will notify the union in each instance of the amount of work to be sent out of the shop, the name of the contractor or contractors, and secure written permission of the union before such work may be sent out.

B

All work customarily performed by the company in its own plant with its own employees shall continue to be performed by the company and its employees unless in the judgment of the company such work can be performed more economically or expeditiously otherwise. In such cases, however, the contractor shall be required to conform to the sections of this agreement covering recognition of union, regulation of work hours, and wage scales.

C

In the event all employees under this agreement are fully supplied with work, and there remains excess work to be done outside the shop, no work shall be sent to any shop or firm where conditions inferior to those herein stipulated prevail.

Clothing Industry.

The subcontracting of work has been of special importance in the clothing industry. Although there are many inside manufacturers who carry on all the processes of garment manufacture on their own premises, a considerable portion of garment manufacturing is done through jobber-contractors. The jobber purchases the materials, does the designing, and then sends the cut or uncut material to the contractor for completion, the finished garment being returned to the jobbers who handle the selling.

Under nonunion conditions, the responsibility for setting wages falls upon the contractor, and the intense competition between contractors has placed a constant downward pressure on wage levels. Unions have therefore sought to control the subcontracting relationship and to place responsibility upon the jobbers to see that the provisions of the agreement are not violated.

In order to eliminate cut-throat competition among contractors and to prevent jobbers from sending work to substandard contractors, some agreements require that each jobber designate the contractors actually required by him and distribute his orders only among them. An increase in the list of permanent contractors is permitted only if

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justified by an increase in the jobber's volume of business. Substitution of contractors may be prohibited, unless a jobber changes his product. Where the jobber is equipped to do manufacturing, the agreement may require that no work be sent out to contractors unless his own shop is fully supplied. Once the jobber-contractor relationship has been established, many agreements provide that in dull seasons the available work shall be distributed proportionately among the contractors and the employer's inside shop on some basis such as the number of machine operators. (Penalties may be assessed for violation of these clauses. See ch. 22, p. 168.)

Limitation of contractors.—For the purpose of eliminating substandard conditions in the dress industry, and to aid in the stabilization thereof, and for the further purpose of properly enforcing the terms and provisions contained in this agreement, the parties hereto agree that every member of the association who deals with or gives work to contractors, shall confine his production to his inside shop, if he maintains one, and to the number of contractors actually required by him to manufacture his garments who have been designated by him, in the manner hereinafter provided, and that such contractors shall work only for members of the association designating them.

Permanent contractors.—All contractors who were registered as such by a member of the association, as of January 31, 1936 (and whose names appear on the latest corrected list of registered contractors furnished to the union on or before January 31, 1936, by any association in which such member then held membership), or, if not so registered, whose name appeared on the books of record of the said member on January 31, 1936, shall be deemed to be the permanent contractors designated by such member under this agreement, provided the said contractors conduct and continue to conduct union shops. A list of such designations, containing names and addresses, shall be delivered promptly, through the association, to the administrative board, to the union and to the association of which the contractors are members. The administrative board may make such changes in the original designations as it deems advisable.

Additional contractors.—A member of the association shall have the right to designate an additional contractor or contractors when his inside shop, if he maintains one, and all of his designated permanent contractors, are fully supplied with work, and such member actually requires an additional contractor or contractors because of an increased volume of business, and the administrative board approves of an additional designation. In order to obtain an additional contractor, the member shall make written application therefor, through the association, to the administrative board, the union, and the association of which the contractor is a member, in which there shall be stated the name and address of the contractor sought to be designated and whether the designation is intended to be a temporary or permanent one and if temporary the period thereof. The administrative board shall render its decision within 2 days after receipt of notice of application, and if it approves an additional designation, the contractor named shall be deemed a designated permanent or temporary contractor of such member, in accordance with the terms contained in the application, unless otherwise specified by the administrative board.

A member of the association shall not be permitted to have more than one temporary contractor at any time, unless he obtains in advance the consent therefor from the administrative board.

Substitution of contractors.—If a member of the association shall at any time change the character of his product, and the contractors designated by him or any of them shall be incapable of meeting his changed requirements, he shall have the right to substitute such other contractors in place of those incapable of meeting his changed requirements. Such substitution shall not be made until after the decision of the administrative board on notice and hearing within 48 hours.

Discharge of contractors.—A member of the association shall have the right to discharge a designated contractor for the following reasons only: (a) general poor workmanship, (b) late deliveries; in which event, simultaneously with the discharge, the member of the association shall file, through the association, with the administrative board, the union, and the association of which the contractor is a member, a full and complete statement specifying the particulars upon which

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the discharge is based. Upon complaint by the union or the association of which the contractor is a member, the administrative board, and upon its failure to agree, the impartial chairman, shall review the facts in connection with the discharge at a hearing, upon notice to the union and the other parties involved. The hearing shall be held and a decision rendered within 48 hours after receipt of the complaint. Pending the decision, the member of the association shall not designate or send work to any new contractor. If the discharge is found to have been unjustified, either because of failure of proof or because the acts of the contractor were insufficient to justify the discharge, the designation shall be immediately restored to the contractor and sufficient work given to him to make up the losses which he and his workers sustained. A member of the association who twice unjustifiably and in bad faith discharges a contractor, shall thereafter be required to obtain approval from the administrative board before taking such action again.

Exclusive designation.—A contractor shall work exclusively for the member of the association designating him, unless otherwise approved by the administrative board.

Equal distribution.—Each member shall distribute his work equitably to and among the contractors or submanufacturers designated by him, with due regard to the ability of the contractor and the workers to produce and perform.

Responsibility for Contractors' Wages.

Another important principle, namely, that the jobber or inside manufacturer is responsible in case of nonpayment of wages by his contractors, has been secured in the clothing industry.

Every employer shall be responsible to the members of the union for the payment of their wages for work done by them on garments of such employer made by contractors and submanufacturers when all efforts made by the union have been exhausted to collect from the individual contractors, providing that such liability shall be limited to wages for 5 full working days in every instance.

A member of the association whose garments are made by contractors or submanufacturers shall pay to such contractors or submanufacturers at least an amount sufficient to enable the contractor or submanufacturer to pay to the workers the wages and earnings provided for in this agreement.

Contracting Within the Shop.

Prohibitions are found in some agreements against contracting within the shop, a practice by which workers bid for or are assigned work as contractors instead of receiving fixed hourly or piece-rate earnings.

A

No contracting or subcontracting within the shop shall be permitted.

B

The practice of subcontracting and the hiring of backhands for the mining and loading of coal shall not be permitted. This section shall not prohibit a group of miners working gang work in isolated places where the compensation paid is not less than the prices provided for in this contract.

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Chapter 28

Duration and Renewal

Most agreements are signed for a period of 1 year, although a number extend 2 and 3 years. In a few cases, agreements run as long as 5 years. Some agreements, particularly in shipbuilding and in the building trades covering heavy construction projects, are effective for 1 year and thereafter until the projects under way are completed. This latter procedure stabilizes labor standards for the duration of a project which the employer has accepted at a given price.

Agreements most often provide for automatic renewal of the agreement from year to year unless notice is given by either party of intention to amend or terminate the agreement entirely. Other agreements provide for only one renewal, usually for a period equal to the original duration. As a result of an automatic renewal clause, agreements may be in effect continuously after the initial term although they may be reopened at yearly intervals for modification or they may be terminated when either party files the required written notice.

There are a number of agreements which have an indefinite duration. In these cases negotiations may be reopened or the agreement terminated at any time, by either party, upon advance notice, usually 30 days. Inasmuch as agreements of indefinite duration make possible the reopening of negotiations or the actual termination of the agreement at any time, flexibility of terms is attained at the cost of introducing an element of instability and uncertainty into the collective-bargaining relationship.

An agreement may, of course, be terminated prior to its expiration date by the violation of its terms by either party. Whether or not the agreement expressly states that violations by either party render the agreement null and void, this is the practical effect of serious or repeated violations. Some agreements specifically provide for nullification if certain major provisions—such as the prohibition of strikes and lock-outs—are violated. (See ch. 21, p. 163.) Others provide fines or penalties for the first infractions and termination of the agreement only after several such occurrences. (See ch. 22, p. 169.) Some agreements become null and void if the union grants "more favorable" terms to competing firms. (See ch. 27, p. 212.)

Most agreements require the giving of a specified period of notice by either party if there is intention to change or terminate at the time of expiration. The notice period, ranging in various agreements from 15 to 90 days, is required in order to permit adequate time for negotiations before the agreement terminates. Thus, if the agreement prohibits strikes and lock-outs during its life, the negotiation cannot be interrupted by a work stoppage before the expiration date.

Agreements often provide a definite procedure for negotiations of the new agreement. Usually, shortly after notice has been given,

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representatives of both sides must come together and negotiate "in good faith" for a new agreement. Such a provision is designed to obviate the need for hasty conferences and forestall work stoppages while negotiations are in process.

Fixed Term.

This agreement shall remain in force for 1 year, that is, the period from ——— to ———.

Indefinite Term.

This agreement shall remain in force from ——— until 30 days' notice of intention to change or terminate the agreement is given by either party.

Fixed Term, Then Indefinite.

A

This agreement shall remain in effect for 1 year, from ——— to ———.
Either party to this agreement desiring to negotiate a new agreement, shall give notice to the other party, in writing at least — days prior to the expiration date. If notice is not given as above, the agreement shall be automatically renewed without change until such time as the required notice is given by either party.

B

This agreement shall remain in force from ——— to ———, and thereafter until the completion of such contracts herein noted.

Fixed Term, with Automatic Renewal for Equal Term.

This agreement shall go into effect on ——— and remain in effect for a period of 1 year.
Either party to this agreement desiring to negotiate a new agreement, shall give notice to the other party in writing at least — days prior to the expiration date. If notice is not given as above, the agreement shall be automatically renewed without change for a period equal to the original term of the agreement.

Fixed Term, with Automatic Renewal from Year to Year.

This agreement is to become effective ——— and remain in full force and effect for 1 year.
Either party to this agreement desiring to negotiate a new agreement, shall give notice to the other party in writing at least — days prior to the expiration date. If notice is not given as above, the agreement shall be automatically renewed without change from year to year until such time as — days' notice is given prior to the annual expiration date. Within — days of receipt of notice by either party of intention to change the existing agreement a joint conference will be held for the purpose of negotiating a new agreement.

Temporary Extension of Expired Agreements

If negotiations for a new agreement are prolonged after the expiration date of the old agreement, the agreement may be extended temporarily for a specified period. In this way additional time is allowed for negotiations before a work stoppage may occur. The terms of any new agreement consummated after a stated expiration date may be made retroactive to that date.

A

This agreement will remain in force between the parties after its expiration date for such reasonable length of time hereafter as may be required for the negotiation of a new agreement.
Any wage increases included in the new agreement will be retroactive to the date of expiration of the present agreement.

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B

If, during the negotiating period, the parties shall fail to agree with reference to any amendments that may be proposed in accordance with the provisions hereof, this agreement shall terminate at the expiration date; *Provided, however*, That the parties may, by mutual written agreement, extend this agreement for a specified period beyond such expiration date for the continuance of negotiations.

Arbitration of Agreement Terms

A few agreements provide that in case of a deadlock over the terms of a new agreement, the matter must be submitted to arbitration. On the other hand, some specifically prohibit arbitration over the provisions to be included in new agreements. Most agreements make no reference to the possibility of arbitration over new terms, it being taken for granted that the question of whether or not arbitration should be resorted to will be decided if and when the need arises. (See ch. 20, Arbitration.)

Arbitration Prohibited.

A

Nothing herein shall be construed to obligate either party to arbitrate differences with respect to the terms of a new contract.

B

The arbitration board shall have jurisdiction over all questions involving the interpretation and application of any clause of this agreement. It shall not handle negotiations for a new agreement, or changes in the wage scales, hours of work, or working conditions.

Arbitration Provided.

It is also agreed that all questions regarding a new contract and scale to become effective at the expiration of this agreement which cannot be settled by conciliation shall be decided by arbitration as above provided, and this agreement shall remain in force until all differences are settled by conciliation or arbitration, provided that local-union laws not affecting wages, hours, or working conditions and the laws of the international union shall not be subject to arbitration.

Arbitration Permissible.

The parties hereto may mutually agree to arbitration in order to reach a subsequent agreement, in which event the arbitration procedure set forth herein shall apply.

Modifications During Life of Agreement

Changes in economic conditions or other unforeseen circumstances may cause either the union or the employer to desire modifications in the agreement before the time of expiration. In addition, both parties may find that a specified provision is unworkable or impractical in its application. Under any agreement, a modification of the terms may be accomplished, of course, by the consent of both parties even though no provision is made in the agreement for such change. Some agreements, however, specifically provide for revision by stating the conditions under which revisions may take place. Thus, the agreement may permit modifications at any time during its life after due notice by either party, or at any time by mutual

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consent, or at certain specified periods only. In some instances, it is provided that a particular section of the agreement such as wage rates may be opened for consideration without reopening other portions. (See ch. 8, p. 44, for provisions permitting adjustments of wage rates.)

Should the negotiations on the proposed amendments or modifications to an agreement fail, any one of these courses may follow: The point at issue may be referred to arbitration; the existing status may remain in effect; or the entire agreement may terminate. In the last case the agreement is actually the same as one with an indefinite duration. If both parties cannot agree either to submit to arbitration or to terminate the agreement the existing agreement automatically continues until its termination date.

Notice Required—Agreement Continued.

Either party hereto may give to the other written notice of desire to change the terms of this agreement by adding to, deleting, or modifying the existing provisions thereof. The notice herein provided for shall state the nature of the changes desired. Within 5 working days after receipt of such notice the parties hereto shall enter into negotiations with respect to the proposed modifications, and such negotiations shall be continued until an agreement is reached or until it becomes obvious that the parties cannot agree. If no agreement is reached with respect to the changes proposed, the terms of this contract shall continue with the same force and effect as though no changes had ever been proposed, until its expiration date.

Mutual Agreement.

A

During the term of this agreement, should the employer and the union mutually agree upon a working rule, condition, or policy, said rule, condition, or policy shall become a part of this agreement and be appended hereto.

B

In the event that any provisions of this agreement become impractical in their application, both parties hereto agree to reopen the question for further negotiations and any revisions arrived at by mutual agreement shall automatically become a part of this agreement.

Notice Required—Arbitration Provided.

Changes in this agreement can be made only and in no other way except on 30 days' written notice by either party, and if such changes are not agreed upon between the parties hereto, the same shall be submitted to arbitration.

Agreement Terminated if Parties Cannot Agree.

Should a revision in any provision become advisable during the life of this agreement, such matter shall be settled through collective bargaining but no revision shall become effective until 15 days from the date the subject is presented. Should the parties fail to agree, either party may declare the contract terminated as of a date 1 week from the date of such notice.

Effect of Legislation.

Federal or State legislation affecting wages and hours of work may, during the life of an agreement, set standards higher than those contained in the agreement. Some agreements specifically provide for this contingency by stipulating that the new standards fixed by legislation automatically are to become a part of the agreement, or that both parties to the agreement will meet to discuss revised wage and

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hour standards if such legislation comes into effect. (Whether or not specifically mentioned in the agreement, any law establishing higher standards than those provided under the agreement would, of course, have to be adopted.)

A

Should Federal or State legislation be enacted providing for work hours less than agreed upon under this agreement and/or for wages higher than those provided for in this agreement, then such hours and wages shall become part of this agreement with the same force and effect as if they were made a part of this agreement.

B

In the event of a change or modification in the Federal Wage and Hour Act, due to national emergency or for other reasons, the foregoing provisions of this article shall be inoperative and the employer and the union shall meet to discuss new provisions.

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Part III

Sample Agreements

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Sample Agreements

In order to portray the general structure and pattern of union-employer agreements, 15 agreements are presented in full except for detailed wage listings. Wage rates are omitted because of their limited application and duration. Otherwise, the agreements are quoted verbatim as illustrative of agreements in their entirety, in contrast to the presentation of various provisions dealing with particular subjects to show qualitative differences as was done in part II.

Obviously any selection of such a limited number of agreements out of the thousands in existence must necessarily be arbitrary and cannot adequately represent all the kinds and types now in effect. The agreements quoted in the following pages were chosen solely for the purpose of presenting as wide a variety as possible according to type of industry and union, as well as kinds and completeness of provisions included.

The selection implies no judgment as to the quality of the agreement or the comparative generosity of its terms. Neither is there any significance in the names of the contracting parties, that is, the company and union which sign the agreement. Within any industry or group of related industries, the particular agreement chosen was largely a random selection—the agreements of any number of other companies or unions might just as well have been used.

Since union agreements stipulate the conditions of work and work rules which shall prevail in the plant or for the group covered, each will have certain peculiarities due to the nature of the work performed, the type of workers, as well as the general character of the industry. Some of the distinguishing features of each of the 15 illustrative agreements are here summarized in order to show the variety of their content.

1. *Carpenters' agreement.*—A closed-shop, craft-union agreement with a city-wide employers' organization. The union promises not to restrict output or oppose labor-saving devices. Shift work is allowed only under certain conditions and with the permission of the union. Includes provisions regarding working foremen and apprentices. (See p. 230.)

2. *City transportation agreement.*—An agreement between a city motor-coach company and a union having jurisdiction over motormen, conductors, garage workers, and attendants of city transportation systems. The safety and accident prevention clauses cover both employees and the public. Outlines procedure for assigning or picking runs, employment of extra men, allowance time between shifts, days off, emergency calls, and other situations due to continuous nature of the work. Stipulates that former employees of the company which was recently merged with the present company shall be transferred with full seniority. (See p. 233.)

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3. *Department-store agreement.*—An agreement between a retail company and an international union on behalf of its local composed of employees of the store. The express purpose of the agreement is to "provide harmonious cooperation." It calls for a union shop, allows collection of union dues within the store, and posting of union notices on bulletin boards. It disallows strikes for any cause until the lapse of 10 days' notice to the employer. Specifies the agencies which may be asked to appoint an arbitrator when such is needed. The schedule of hours, including seasonal tolerances, is arranged according to the needs of retail business. (See p. 239.)

4. *Electrical manufacturing agreement.*—An agreement by an industrial union covering all production workers in numerous plants of a large corporation. The union is recognized as the sole collective-bargaining agency, but a closed shop is not provided. Piece rates are subject to negotiation between the union and management at any time. Includes detailed vacation provisions and a plan for combined hour reductions and lay-off according to seniority when work is slack. Seniority preference provided for shop stewards. (See p. 243.)

5. *Hotel agreement.*—An agreement between six hotel managements of a city and several different unions having jurisdiction over various groups of hotel workers. Agreement was entered into after a strike and provides for the reemployment of all strikers. Employer has free selection in filling vacancies or new positions, but all new employees, except for specified excluded positions, must join appropriate union within 15 days. Details regarding uniforms, meals, and tips, are included. Specifies maximum union dues and initiation fees. Agreement is to remain in effect for 5 years, except that wages may be adjusted at the end of each year. (See p. 249.)

6. *Longshore agreement.*—An agreement signed by the district office of a union having jurisdiction over the entire Pacific coast and an employers' association on behalf of member associations of the four major ports. Provides for penalty wage rates for certain types of cargo. Gives rules regarding joint hiring hall, dispatching of workers, and equalization of the work. Employers allowed to install labor-saving devices without interference from the union, but if earnings and employment of workers are "materially affected" questions may be referred to the arbitrator. Labor-relations committee established for each port with appeal to a coast-wide labor relations committee and final appeal to a coast arbitrator. (See p. 253.)

7. *Men's clothing agreement.*—Negotiated by a city-wide employers' association and a union joint board representing the various locals of the union in the metropolitan center. Preamble includes formal statement of "consideration." Gives specifications regarding subcontracting, among them being the provision that work contracted out, as well as carting of work, shall be performed by union persons. Manufacturers are held responsible for contractors' compliance with terms of agreements. Disallows home work. Permits wage adjustments at beginning of a season if war or other causes "substantially affect the industry generally." Specifies that Government social-security taxes shall be levied on manufacturers for work performed in contract shops; also that manufacturer shall add additional amount to the union unemployment fund. Provides for a permanent impartial chairman who may have access to manufacturers' financial records.

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Manufacturer and union have equal voice in fixing piece rates after the total labor cost of a garment has been agreed upon. No shops are allowed to move beyond the 5-cent carfare limit during the term of the agreement. (See p. 259.)

8. *Newspaper agreement.*—An agreement covering professional and clerical workers with a city-wide publishing association as agent for a number of newspaper companies. Provides that at least nine-tenths of the employees covered by the terms of the agreement shall be and shall remain union members in good standing. Graduated dismissal-pay allowances in case of lay-off and 2 weeks' vacation after 1 year's service are provided. Grievance and arbitration procedure outlined. Contains rules regarding furnishing and use of automobiles and other equipment necessary to carry on work. For positions requiring work on holidays, the holidays are rotated, with overtime for any holidays worked in excess of three a year. Individual employees allowed to bargain for salaries above the minimum provided in the agreement. Regulates deductions for errors, as well as division of profits from sale of any product of employee to another publication. (See p. 263.)

9. *Railroad agreement.*—Railroad agreements, especially those covering the engine and train service, are much more detailed and complex than most other agreements. Originally much briefer documents, they have been expanded to cover numerous work rules and every aspect of the employment relationship. Instead of writing a new document each time new terms are negotiated, it has been the practice to incorporate the new terms as additions or substitutions in the expiring agreement. The resultant document thereby resembles more a collection of work rules and regulations than it does a formally drawn contract. Although the pattern of railroad agreements is quite distinct from agreements in other industries, within a selected branch of railroad service the provisions covering the most important phases of work have been largely standardized. The agreement cited is typical of agreements covering train- and engine-service employees. (See p. 270.)

10. *Shipbuilding agreement.*—The standard agreement of the several unions belonging to the Metal Trades Department of the A. F. of L. for shipbuilding on the Pacific coast. Provides closed shop with hiring of new workers through the union if the union can supply within 48 hours. Specifies foremen shall be able craftsmen and shall be union members, with wage differential not to exceed 15 cents an hour more than the minimum of men they supervise. Saturday work allowed during the present national emergency at time and a half instead of the customary double time. Calls for shift schedules, prohibits piece work or other wage-incentive plans, but allows use of labor-saving devices. Includes detailed safety and sanitation provisions. Specifies travel pay and lodging for men sent on jobs away from regular place of employment. Strikes and lock-outs barred, with jurisdictional disputes to be settled in accordance with practices of A. F. of L. (See p. 291.)

11. *Shipbuilding stabilization agreement.*—A master agreement covering all shipyards on the Pacific coast. Negotiated at a conference attended by employers, labor unions, and Government repre-

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sentatives. Stabilizes wages and working conditions in all west-coast shipyards for the duration of the war. Does not supplant local agreements between employers and unions, but local agreements must conform to standards set forth in stabilization agreement. These standards include: A basic wage rate of $1.12 per hour for skilled mechanics, time and one-half for overtime beyond 40 hours per week, time and one-half pay for all Saturday work and double time for work performed on Sundays and holidays, shift premiums for second and third shift. A supplemental agreement, negotiated after the outbreak of war, provides for 168-hour weekly operation of shipyards, by eliminating Saturday and Sunday penalties; it provides for shift rotation, straight time for five shifts, and time and one-half for all work on the sixth shift. No workman is required to work a seventh shift except in extreme emergencies and in such case is paid double time. (See p. 291.)

12. *Steel agreement.*—An agreement between a large corporation in a mass production industry and a national union on behalf of its members employed by the company. The purpose of the agreement is to "promote and improve industrial and economic relations." The agreement continues indefinitely with 10 days' notice of desire of either party to change. If new terms cannot be negotiated within 20 days, present agreement automatically terminates. The union is recognized as exclusive bargaining agency for all employees except foremen, watchmen, and salaried workers. One week's vacation after 3 years' service is provided. Promotions are based on ability and physical fitness, with seniority governing when these two are relatively equal. Lay-off and reemployment are based on ability, physical fitness, and family status (number of dependents), with seniority governing when these three are relatively equal. Gives detailed description of grievance machinery including final settlement by an impartial umpire. Provides a 5-day suspension period before a discharge can become effective, during which time the suspended person may request hearing before a general plant superintendent and union grievance committee. Management establishes individual job rates, but after rates have been given reasonable trial they may be appealed through the regular grievance machinery. (See p. 294.)

13. *Typographical agreement.*—An agreement between a craft union and an employers' association covering all the union shops in the city. Bylaws of the local and the national union are made a part of the agreement. Union members may refuse to execute work from "struck shops" or "unfair employers." Union promises equal union conditions in all shops. Specifies work standards, duties, and expected output for journeymen and elaborates rules concerning apprentices. Foremen are union members but exercise full responsibility and executive authority in the workroom. Three shifts are provided, with substantial wage differentials. Establishes a bipartite industrial commission to settle disputes during the present agreement and to negotiate a new agreement upon its expiration. (See p. 302.)

14. *Government agency agreement.*—An agreement between the Tennessee Valley Authority and a council of craft unions. Preamble states that collective bargaining and labor-management cooperation

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are necessary to promote the public interest for which the T. V. A. was established. Provides regular grievance procedure. Annual wage conferences are held to establish rates of pay which under the act covering the T. V. A. must equal rates for work of a similar nature prevailing in the vicinity. Sets up joint cooperative committees to consider elimination of waste, improvement of quality of services, etc. (See p. 309.)

15. *Automobile agreement.*—This is the first agreement between an industrial union and a large auto manufacturer which contains a closed-shop provision. Also contains provisions regarding seniority, leave, grievances, etc. No definite wage rates are specified but company agrees to pay rates at least as high as those paid by the major competing firms, such competitors to be named by the union. (See p. 318.)

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Carpenters' Agreement

WITNESSETH: This agreement made and entered into this 1st day of June 1941, by and between the Building Division, Cincinnati Chapter, Associated General Contractors of America, party of the first part (hereinafter called the employer), and the Carpenters' District Council of the Ohio Valley, party of the second part (hereinafter called the union).

PREAMBLE

The employer and the union recognizing the necessity for eliminating restrictions and promoting efficiency, agree that no rules, customs, or practices shall be permitted that limit production or increase the time required to do the work.

DECLARATION OF PRINCIPLES

1. There shall be no limitation as to the amount of work a man shall perform during his working day.

2. There shall be no restriction of the use of machinery, tools, or labor-saving devices. It is understood, however, that the outside carpenter journeyman shall cut or mortise for locks, dado base, mitre or cope picture moulding, stop beads, or any loose members or parts of wood to be erected on buildings. All wood sash and doors must be fit and hung in place at the opening.

3. There shall be no restriction of the use of any raw or manufactured material except prison made. All framing and concrete forms are to be cut, fitted, and erected by outside carpenters of this jurisdiction.

4. There shall be no interference by the union with employers' men during working hours, except the business representative, or steward, may consult with the superintendent, foreman, steward, or journeyman, when necessary.

5. The union accepts the obligation of furnishing, at all times, sufficient skilled journeymen capable of performing the work of their trade, and to constantly endeavor to improve the ability of such journeymen.

WORKING RULES

SECTION 1. *Employment.*—The employer agrees to employ members of the union on all building and construction work subject to the wages and conditions hereinafter stated.

The union shall not permit its members to work for any employer who is not a party to this agreement, or a similar one.

SEC. 2. *Transferring employees.*—The union shall not transfer its members from one employer to another without the consent of the employer for whom they are working.

SEC. 3. *Workmen's compensation insurance, etc.*—It is agreed that no member of the union shall be permitted to work for any employer who is not carrying workmen's compensation and social security and complying with the laws governing same. It is further agreed that every employer shall immediately issue separation report (unemployment compensation) after a covered worker is separated from his services permanently or for an indefinite period.

SEC. 4. *Scarcity of help.*—If, after 24 hours' notice by the employer, the union is unable to furnish the required number of experienced carpenters, the employer may employ such carpenters, who will be subject to the rules and regulations of the union.

SEC. 5. *Hours.*—Eight hours between 7:30 a. m. and 4:30 p. m. shall constitute a regular day's work. Five days shall constitute a regular working week from Monday through Friday.

No work shall be performed on Saturday, Sunday, holidays, or during other irregular hours, unless written permission is given by the carpenters' district.

SEC. 6. *Wages.*—The rate of wages for journeymen carpenters on all projects shall be a minimum of $1.45 per hour, from June 1, 1941, to September 1, 1941, and $1.50 per hour from September 1, 1941, to June 1, 1942.

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Jobs not completed by June 1, 1942, will be completed at the rate of $1.50 per hour, and under working conditions of this agreement.

SEC. 7. *Overtime.*—Time and one-half for overtime shall be paid employees working on Monday, Tuesday, Wednesday, Thursday, and Friday. Double time shall be paid employees working after regular quitting time on Friday, Saturday, Sunday, and up to 7:30 a. m. Monday, and the following holidays: New Year's Day, Decoration Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas. No work shall be performed on Labor Day.

SEC. 8. *Pay day.*—Friday shall be pay day at or before quitting time, and time and one-half to be paid for waiting time and no work performed.

SEC. 9. *Foremen.*—Where there are six or more carpenters on the job, one carpenter shall be designated as foreman, who shall not be restricted from the use of tools, and who shall receive not less than 15 cents per hour more than the agreed journeymen's rate.

SEC. 10. *Steward.*—A steward is not to be discharged for performing his duty as a steward. The business agent must be consulted before any action is taken against a steward. If a question is raised, the matter is to be referred to the joint conference committee for a decision. Pending this decision, he is to fulfill his duties as a journeyman and steward. The joint conference committee must reach a decision on such matter within 1 week.

SEC. 11. *Inclement weather.*—If, at any time, the weather is too bad to work, the steward or business agent shall order the members, exposed to the bad weather, to stop work until it moderates.

SEC. 12. *Shift work.*—When permission is granted by the union to work two or three shifts, the first, or regular day shift, shall receive the prevailing rate of wages.

Journeymen working the second and third shifts shall receive 8 hours' pay for 7 hours' work. Any time worked less than a full shift period shall be paid as overtime, unless prevented by an act of God, or some unavoidable condition not the fault of the contractor. Such time to be paid at the rate of one and one-seventh times the agreed rate.

No journeyman shall be permitted to work in more than one shift in any 24-hour period.

It is agreed that shift permission will be granted by the union only when the work will consist of 5 consecutive days or more, for both shifts, and shifts to be of equal size.

SEC. 13. *Carfare.*—Streetcar fare, traction fare, and bus fare in excess of two (2) city fares per day, shall be paid by the employer.

SEC. 14. *Shelter.*—Employer is to furnish suitable dry shed or room under lock and key for protection of carpenter tools on all jobs, and buildings over four stories in height to have shed each fourth floor. Contractor to be responsible for theft of tools if same are not provided.

SEC. 15. *Working employer.*—Only one member of any firm is permitted to work with carpenter tools, or act as foreman, unless all other members of the firm are affiliated with the union.

SEC. 16. *Jurisdictional disputes.*—With respect to the jurisdictional disputes arising between the carpenters and any other union, the carpenters agree to promptly confer and fully discuss the same with a view of reaching an amicable adjustment of such disputes.

The employer and the union further agree that there will be no stoppage of work during the period pending a jurisdictional decision.

SEC. 17. *Joint conference committee.*—There shall be a joint conference committee composed of three or more members from each of the parties to this agreement. This committee shall settle all disputes or misunderstandings between the parties to this agreement.

SEC. 18. *Apprentices.*—All carpenter apprentices shall be governed by the joint arbitration board composed of an equal number of employers and employees.

Contractors who have been in business continuously in this district for 2 years or more may employ apprentices on the following basis: Yearly average of 4 journeymen—1 apprentice; yearly average of 10 journeymen—2 apprentices.

Contractors employing an average of more than 10 journeymen shall be entitled to additional apprentices, at the discretion of the joint board, on an overlapping basis as follows: At the expiration of the first year of the apprentice contract, the contractor shall be allowed to employ additional apprentices, and at no time to exceed four apprentices.

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The rate of wages shall be in accordance with the following schedule:

First year—38 percent of the agreed journeyman's rate;
Second year—48 percent of the agreed journeyman's rate;
Third year—60 percent of the agreed journeyman's rate;
Fourth year—75 percent of the agreed journeyman's rate.

No apprentice shall be permitted to operate any power tools, such as skill saw, jointer, dapper, mortiser, or any motor-driven saws, until after 2 years of indenture.

SEC. 19. *Length of agreement.*—In case either party to this agreement wishes to change the agreement, at least 90 days' notice shall be given to the other party prior to the expiration date. This agreement shall continue in effect unless such notice is given.

SEC. 20. *Special consideration.*—Recognizing the difficulty of men past 60 years of age securing regular employment, the employment of such men, who are capable, is to be encouraged on jobs where conditions warrant.

The foregoing constitutes an agreement and understanding by and between the employers and the union.

No other rules or regulations shall be adopted by either party without agreement by the joint conference committee.

BUILDING DIVISION, CINCINNATI CHAPTER
ASSOCIATED GENERAL CONTRACTORS OF AMERICA.

(Committee.)

CARPENTERS' DISTRICT COUNCIL OF THE OHIO VALLEY.

(Committee.)

CINCINNATI, OHIO, *June 1, 1941.*

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City Transportation Agreement

This agreement entered into this 20th day of June A. D. 1940, by and between RACINE MOTOR COACH LINES, INC., a corporation organized and existing under the laws of the State of Wisconsin, its successors or assigns, party of the first part, hereinafter called company, and DIVISION No. 998 of the AMALGAMATED ASSOCIATION OF STREET, ELECTRIC RAILWAY AND MOTOR COACH EMPLOYEES OF AMERICA, party of the second part, hereinafter called the association.

WITNESSETH

WHEREAS, It is to the mutual advantage of the members of the association and the company that the present friendly and cooperative relations now existing be continued, and

WHEREAS, The company performs an essential public service and both parties agree to provide continuous service without interruption to the public, and

WHEREAS, The welfare of the members of the association is dependent upon the profitable operation of the company, and

WHEREAS, Both parties agree that the most attractive type of service must be given at all times by employees to riders to secure and hold revenues in sufficient volume as to make a profitable operation possible, and

WHEREAS, An agreement covering employee rights, duties, wages, hours of service, working conditions, and grievance procedure will tend to promote harmony and efficiency in the organization, and tend to insure the most attractive type of service, and

WHEREAS, A complete understanding and agreement has been reached between the company and the association, and it is the desire of both parties that the agreement be reduced to writing,

Now therefore, in consideration of the mutual covenants and agreements hereinafter set forth, it is mutually agreed as follows:

1. *Recognition of association.*—The association shall be the sole representative for collective bargaining of the company's operating and maintenance employees whose occupations are listed in the wage schedules mentioned in this agreement.

The association agrees that it will not include or retain in its membership supervisory employees of the company; that is, employees having the right to employ and discharge or administer discipline, or any employees holding the following jobs: Dispatchers, foremen, inspectors, cashiers, store-room clerks, general office workers.

2. *Association business.*—Employees of the company who may be called upon to transact business for the association which requires their absence from duty with the company shall, upon application to the proper officers of the company, be allowed to absent themselves for a sufficient time to transact such business. It is further agreed that any employee of the company who may be elected or appointed to office in Division No. 998 that will require his absence from duty with the company shall, at the expiration of such term of office, be reinstated to his former position including all his seniority rights and other rights then common to other employees, providing he is then qualified to return to work.

3. *Negotiations.*—The company and the association mutually agree at all times to meet and treat with each other through their duly accredited officers, department heads, representatives, and committees upon all matters arising out of this contract, or otherwise of mutual interest.

4. *Arbitration.*—It is agreed that the association and the company should mutually settle any questions arising out of the terms of this agreement, or any renewal thereof, without resorting to arbitration, but where differences seriously affect either party, it is agreed that as a last resort such differences shall be submitted to arbitration.

Either party desiring to arbitrate any matter, must notify the other in writing, and within 1 week thereafter, each party must submit to the other in

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writing, the name of its member of the arbitration board. These arbitrators shall endeavor to come to an agreement on the issues to be arbitrated, but failing to do so within 1 week after their appointment, they shall select a third arbitrator. When the third arbitrator is chosen, the arbitration board shall organize and promulgate such rules as are proper for conducting the arbitration. Arbitrators shall meet every day that it is practical for them to do so.

During arbitration proceedings there shall be no strike or lock-out. The findings of the arbitration board shall be in writing and the majority decision shall be binding upon both parties to this agreement.

In case the arbitrator chosen by either party resigns, withdraws, or dies, his place shall be filled by the party who had previously chosen him and the arbitration shall proceed without interruption or change other than in personnel above referred to, which change shall be made within 1 week. Each party shall bear the expense of its own arbitrator and all expenses incurred in connection with the preparation and presentation of its own case. Any other joint expenses incurred in conducting the arbitration shall be jointly shared.

5. *Management.*—The management and operation of the business, the direction of all employees, the determination of necessary minimum qualifications for any job, and the appraisal of the qualifications of any individual for a particular job are reserved by, and shall be vested exclusively in, the company. However, after any employee has passed the 90-day probationary period in the company's service as specified herein, he shall not have his qualifications questioned for the particular position which he holds without just cause. Should any employee desire to transfer to a position other than the one in which he has qualified, the qualifications imposed shall be no more stringent than those required of any new employee.

Nothing herein contained, however, shall take away from the company its recognized right to specify the minimum standards of health and physical fitness required of its employees for the safe operation of its service to the public, or its right to require appropriate physical examinations from time to time, in order to maintain such standards.

In the event of any difference between the company and the association regarding a company decision affecting any particular employee, a joint conference shall be conducted and facts introduced by both parties. Should the differences still exist after such conferences, the association shall have the right to arbitrate the case as hereinbefore provided.

6. *Discipline.*—The right to discipline belongs to and rests exclusively with the company. Nevertheless, any employee covered by this agreement shall have the right to be heard by the proper officials of the company and to produce witnesses or officers of the association in his behalf as to the truth of the charges preferred against him and finally, if the charges are not sustained, shall have his record cleared of such charges and in case of any loss of wages shall receive reimbursement for such loss. Only discipline which involves discharge, or suspension of an employee for more than 2 weeks, may be arbitrated except that discharge or suspension for dishonesty or drunkenness will not be arbitrated, nor will suspension or discharge for unlawful conduct outside the scope of employment during hours on duty be arbitrated, where, in the opinion of the company, its retention of the employee might constitute ratification of his conduct.

Charges against any employee shall be specific and shall be called to the employee's attention within 72 hours after notice of the alleged offense has been brought to the attention of the department head concerned. Sundays, holidays, and time off for sickness, etc., shall not be included in these 72 hours.

No discipline by suspension shall be administered to any member which shall impair his seniority rights.

Members of the association are not to be reprimanded within hearing of the public.

7. *Leave of absence.*—Employees shall not be permitted to hold their seniority rating under a leave of absence longer than 1 month, unless mutually agreed upon by the company and the association. In case of sickness or accident off duty, an employee will retain his place on the seniority list for a maximum of 1 year providing he is then certified by the company's physician as being physically able to return to work.

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8. *Bulletin boards.*—The company agrees to maintain association bulletin boards in the bus operators' rooms and in the garage. No materials shall be posted thereon except notices of meetings, social occasions of employes, and similar association business.

9. *Dues collectors.*—The company agrees that the association dues collectors shall be allowed to collect dues on the company's property in such manner as not to interfere with the company's business.

10. *Employment.*—When new employees are required in any group under the jurisdiction of Division No. 998, employees from any of these groups, who have been laid off due to lack of work, shall be given preference over outside applicants, if they can qualify for the positions. When new men are from time to time employed, they shall be on probation for a period of 90 days from the date of employment.

Responsibility for selection of employees qualified for promotion rests exclusively with the company, and the company must therefore be the final judge of whether or not an employee meets the necessary qualifications for his job. The company agrees that there will be no discrimination against members of the association in promotion, and the company will consult with the association's representative in any promotion which the association desires to question. Other qualifications being equal, the senior man shall be given the first opportunity for promotion, but shall have the privilege to pass up promotion at his option.

11. *Seniority.*—The company agrees that all former employees of the Racine Division of the Milwaukee Electric Railway & Transport Co. taken over from that company by Racine Motor Coach Lines, Inc., as of January 1, 1940, shall retain their seniority standing beginning with the date of their employment with the transport company. The seniority list is now posted in the drivers' room and shall be the basis of all picking of runs.

Any employee covered by this agreement who is promoted to any regular supervisory or executive position shall automatically be dropped from the seniority list at the end of 6 months from date of promotion. In the event that said position is abolished, or the employee is removed from such position for reasons which do not warrant discharge, it is agreed that the employee holding such position shall be reinstated in his proper place on the seniority list.

12. *Employees to be transferred to Milwaukee.*—It has been, and is hereby agreed between the association and the company, that the election of the above employees to be transferred is irrevocable by them, and that those employees shall proceed to Milwaukee at any time that the company so orders.

It is further recognized that this provision is of the essence of this contract.

13. *Accidents.*—Any accidents in any way involving the operation of company's motor coaches, however apparently insignificant, and all disturbances and ejectments, shall be fully, properly, and completely reported by employees concerned upon report blanks supplied by the company. Such reports shall be made and delivered during the day of such accident or other occurrence and shall be prepared in conformity with the company's rules. Any motor-coach operator who, after submitting a full, complete, and proper report as aforesaid, shall be required to appear at the office of the company, or in any court, or elsewhere, for additional report or examination, shall be paid for time actually consumed therein. Accidents or damage caused by carelessness, neglect, or violation of the company's rules, shall be cause for discipline or discharge.

Bus operators shall be paid 15 cents per report for making out accident reports outside of regular working hours, such payment to be made by station clerk upon completion of said report.

14. *Safety.*—Safety meetings will be held by the company periodically at intervals of not more than once per month, and it will be necessary that all employees attend such meetings.

The company shall provide healthful working conditions at all times. All equipment, machinery, and motor coaches which the company provides shall be in good working condition. The association agrees that its members will use all safeguards furnished or required by the company and will work safely at all times.

Employees shall not be allowed to work inside of any car or bus while spraying is being done on it.

Goggles shall be worn as specified in safety rules. Goggle rules are subject to amendment as mutually agreed upon.

The duly appointed representatives of the association and of the company shall continue the joint studies and investigation of safety practices for the

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purpose of suggesting improvements which may be agreed upon from time to time without disadvantage to either party.

15. *Working conditions and hours—Bus operators:*

A. Procedure for assigning and picking runs.

(1) Except for emergency, a list of assignments for men on the extra list for the next day shall be posted by 5 p. m.

(2) Men off duty, due to illness or injury, shall notify the company official in charge before 3 p. m. of their desire to be marked off or on duty for the following day.

(3) A general selection of runs shall take place approximately every 3 months or at any other time at the discretion of the company.

(4) Lists of days off for extra men shall be posted for a period as far ahead as is practical. Lists of days off for regular men shall be posted and remain in effect for a period of time agreed upon between the association and the company.

(5) The extra list, both day and night, shall be what is known as a revolving list. Where regular men are off for a period of 6 or more days due to sick leave. leave of absence, etc., the senior extra men shall be assigned to the run until the regular man returns except during the vacation period when all hold jobs shall be picked with vacation runs by extra men. If the senior extra man passes up the hold job, he shall revert to the bottom of the extra list, and all other extra men shall have preference in picking a hold job before he has another pick or until the next general pick.

16. *Working conditions and hours—Bus operators:*

B. Provisions governing time allowed, schedules, and days off.

(1) No regular weekday or Saturday run shall pay less than 8 hours and such runs shall not be scheduled for more than 9½ hours per day. Overtime shall not be paid for the first hour and a half worked by a driver in excess of a scheduled run, but shall be paid for all work in excess of 10 hours per day.

(2) All regular weekday and Saturday runs shall be scheduled to approximate 8 hours if practicable.

(3) No regular Sunday run shall pay less than 6 hours.

(4) No regular run shall pay less than 46 hours per week.

(5) All trainmen and bus drivers holding regular runs shall be given 1 day off per week, and Sundays off shall be equally distributed among all men, so far as is practicable.

(6) All employees shall be required to take off at least the number of days scheduled.

(7) The company shall attempt, in distributing the Saturday and Sunday work, to evenly balance the total weekly hours.

(8) Bus operators who work on the night extra list shall not be required to work morning trippers, except in an emergency.

(9) On all chartered intercity busses stright time shall be paid. When a particular bus operator is requested for a charter bus, and when the trip will pay less than the operator's regular run, the company shall have the right to substitute another operator, if it so elects.

(10) On all chartered intercity busses 10 hours straight time shall be paid for each day when bus is away over night.

(11) All bus operators shall be guaranteed at least the number of hours in their run when they (*a*) are removed temporarily from their regular run for use on some other company work, or (*b*) practice for a different job.

(12) Extra men in practicing for a different job shall be paid at their regular rate of pay.

(13) The company shall make time allowances as follows: (*a*) Sign-up—pull-outs, 12 minutes; (*b*) sign-up—reliefs, 5 minutes, plus 6 minutes actual travel time to reliefs other than on Oak Park, and 15 minutes travel time to Oak Park; (*c*) turn-in only, 5 minutes; (*d*) turn-in and tank only, 8 minutes.

(14) It is understood that there are limitations on certain lines which do not permit a standard lay-over at all turn-back points. In general, however, the company shall endeavor to maintain minimum lay-over of 2 minutes at the end of each line, or 4 minutes on the round trip.

(15) The company shall furnish comfort stations at the ends of all bus lines which shall remain open at all reasonable hours for the convenience of employees.

(16) Specially selected bus operators, when selected for instruction duty, shall be paid an additional 50 cents per day when performing such duty.

(17) The company shall pay employees who may be called on emergency night calls from the time the employee leaves his house, allowing reasonable traveling time.

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(18) Members of the association attending courts, inquests, and so forth, under instructions from the company, shall be paid for the time lost, if any, according to the regular schedules and living expenses allowed if away from home. If such work is performed in addition to regular hours of employment, the employee shall be paid the regular rate of pay.

(19) *Call time.*—(*a*) Early a. m. call time (before 7 a. m.) shall pay a minimum of 1½ hours and all other call time shall pay a minimum of 1 hour.

(*b*) In case the period between the assignment of work and the report time for the work is 60 minutes or less, call time shall be paid until that report time. When this time is more than 60 minutes, call time shall be paid only to the time of assignment of work subject to provision (*a*) above.

(20) Early a. m. trippers (before 7 a. m.) shall pay a minimum of 1½ hours. All other extras shall pay a minimum of 1 hour.

17. *Wages—Bus operators.*—It is mutually agreed that there shall be no reduction or deviation from the existing hourly rates paid to any employees now on the pay roll of the company who were in the employ of the company as of January 1, 1940, until October 1, 1940.

[Wage rates omitted.]

Extra men shall be guaranteed a minimum of 162 hours per month.

18. *Working conditions and hours—Garage employees.*—(1) Time and one-half shall be paid for all time in excess of 9 hours in any 1 day.

(2). When employees, whose scheduled hours do not require night work, are temporarily for two or more nights placed on night work, which change is arranged in advance, they shall be paid for such night work at the regular hourly rate of wages plus a premium of 5 cents per hour.

(3) Such work for one night only shall be paid at the rate of time and one-half, but if the work is continued for two or more nights, the hours worked on the first night, if arranged in advance, shall also bear the 5-cents-per-hour premium and not the time-and-one-half rate.

(4) The premium shall not apply if the change from day to night work is a change in the employee's regular work as distinguished from a temporary change. For the same reason the premium shall be discontinued if, after a reasonable time (30 days), the change is found to be a change in regular employment.

(5) For all outside operation of snow plow and cinder trucks in inclement weather not covered by time-and-one-half rate, there shall be an additional 5 cents per hour over the regular rate.

(6) The company shall pay employees that may be called on emergency and night calls from the time the employee leaves his residence and allowing reasonable traveling time. Travel time shall be allowed when traveling from one job to another during the working hours of the employees working day. If employees are assigned in advance to work at some other location than their regular headquarters, their time for the purpose of wage payment shall begin with their arrival at the job but not before scheduled starting time.

(7) Any employee temporarily transferred to a position paying a lower rate shall receive his regular rate of pay while holding such position.

(8) Any employee temporarily transferred to a higher classified job shall receive the higher rate of pay after the 15th day in any 6-month period.

(9) When employees are transferred from one occupation to another because of curtailment of work in their regular occupation, or if for other reasons transfers are made to accommodate employees, such employees shall be paid the wage rate applicable to the new occupations.

(10) Men returning to their former occupation after a temporary transfer shall receive their former rate of pay immediately.

19. *Wages—Garage employees.*—The wages to be paid in the garage for the classification shown shall be as follows:

[Wage rates omitted.]

20. *General commitment of association.*—It is agreed by the company and the association that, in consideration of the mutual covenants herein contained, the members of said association will be courteous to passengers and the general public and work at all times to the best interest of the company. They further agree at all times to protect the property of the company from injury at their own hands or at the hands of others when in their power to do so; that in the handling of motor coaches they will at all times comply with the rules of the company, State laws, and city ordnances, and use every effort to prevent injury to property and person of the company and the traveling public.

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The association agrees to cooperate in the detection of the fraudulent handling of cash, or other wrongful practices, and will assist the company at all times in preventing any such malpractices.

21. *Transportation.*—The present practice of free city transportation for hourly paid employees of the company on operating and maintenance work shall be continued.

22. *Vacations.*—Regular employees who on the first of June in any year have been in the service of the company for 1 year, and less than 2 years, shall be entitled to 6 days' vacation. For the second year that an employee remains in the service of the company, a day's vacation shall be added.

In every instance vacation pay shall be computed at the rate of 8 hours per day for the number of vacation days to which the employee is entitled hereunder.

The period of service used for determining the allowable vacation shall be computed as the period of continuous service from the date the employee entered the service of the company. However, absences due to lay-offs beyond the control of the employee shall not result in forfeiture of vacation rights except that the allowable vacations shall be reduced 1 day for each month, or major fraction thereof, in which the employee was actually off the company's pay roll.

The period during which vacations are scheduled shall be settled between the department head and the proper employee representatives. The department head shall agree with employee representatives on the scheduling of vacations for the various individuals, and the schedule which shall be posted thereafter shall not be departed from except by mutual agreement.

The practice of splitting vacations should be discouraged and should not be required by the department. If, however, the nature of the work, working conditions, or personnel makes such an arrangement desirable to the satisfactory performance of company work, it may be arranged with the approval of the department head.

Vacations may not be postponed from 1 year to another and made cumulative, but will be forfeited unless completed during each calendar year.

A vacation may not be waived by an employee and extra pay received during that period.

No vacation or vacation pay shall be allowed after resignation or discharge for cause.

Wages covering any part of the vacation period shall not be paid in advance. Such wages shall be paid on the regular pay day next following return to work.

23. *Duration of agreement.*—This agreement shall be effective the 16th day of June 1940 and continue to September 30, 1942.

In the event that on September 15, 1941, the United States Bureau of Labor Statistics index of the cost of living for 51 cities in the United States rises to 10 percent above normal, or 110, the company as of October 1, 1941, either will increase the rate of the employees shown in appendix A, to 75 cents per hour, or will throw open the contract for negotiation.

In testimony whereof, the company has caused this instrument to be executed for and on its behalf by ——— ———, its president, and the association has caused this instrument to be executed for and in its behalf by ——— ———, its president, at Racine, Wis., on the day and year above written.

In the presence of:

RACINE MOTOR COACH LINES, INC.,

(Signed) ——— ———. By (Signed) ——— ———, *President.*

——— ———.

DIVISION NO. 998 OF THE AMALGAMATED ASSOCIATION OF STREET, ELECTRIC RAILWAY AND MOTOR COACH EMPLOYEES OF AMERICA,

(Signed) ——— ———. By (Signed) ——— ———, *President.*

——— ———.

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Department-Store Agreement

Agreement made this 27th day of March 1941, by and between Hearn Department Stores, Inc. (hereinafter referred to as the employer) and the Retail Clerks International Protective Association, by its agent Department & Variety Stores Employees Union, Local 1115-A, affiliated with the American Federation of Labor (hereinafter referred to as the union);

WITNESSETH

WHEREAS, The parties desire to enter into an agreement relating to wages, hours, and other conditions of employment, which will provide methods for harmonious cooperation between the employer and its employees, and, to that end, accomplish fair and peaceful adjustment of all disputes which may arise, without interruption of the operation of the employer's business:

Now, therefore, in consideration of the mutual covenants herein contained, and subject to all existing and future applicable Federal and/or State laws, it is agreed as follows:

1. This agreement shall commence on March 1, 1941 and—subject to due performance by both parties in accordance with the provisions hereof—shall continue in full force and effect until February 28, 1944.

2. The employer recognizes the union as the sole collective-bargaining agent for all of its employees in its store at 693 Broad Street, Newark, N. J., with respect to wages, hours, and conditions of employment. The union shall require its members to comply with the terms of this agreement. This agreement shall be binding upon the parties hereto and those they represent.

3. The employer may, from time to time, employ new or additional employees who are not at the time of hiring members of the union. All such newly engaged employees must secure a working permit from the union and the union agrees to grant such permit upon payment of a fee of $1. In the case of contingent employees, such permit may be used for 20 workdays (consecutive or cumulative) but, in any event, the same shall expire in 90 days from the day of issue. In the case of those who have been regular employees, this permit may be used for 30 workdays (consecutive or cumulative).

After an employee has completed a period of 30 days' service with the employer, whether such service be cumulative or continuous, such an employee shall become a member of the union. If, within 72 hours after the completion of such period of employment, such employee fails to become a member of the union, the union shall have the right to require the employer to replace such employee. The union shall make available to such employees the opportunity to become members of the union on the conditions then prevailing. When an employee shall have once completed such 30-day employment period, such employee shall not again be subject to this provision. The employer shall furnish to the union the names and addresses of all newly engaged employees within 1 week from the commencement of their employment.

4. For the purpose of this agreement, the terms "employee" and "employees" shall not apply to:

(*a*) Executives, their personal assistants, and secretaries.
(*b*) Department heads and their secretaries.
(*c*) Assistant department heads.
(*d*) Buyers and assistant buyers.
(*e*) Confidential and professional employees.
(*f*) Bushelmen.
(*g*) Employees engaged in building-trades crafts.
(*h*) Demonstrators.

Upon request from the arbitrator (if any) hereinafter provided for, the employer will file with the said arbitrator a list or lists of employees holding the positions listed under classifications (*a*), (*b*), (*c*), (*d*), and (*e*), and classifications of employees in such categories by the employer shall be final.

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5. (*a*) The employees shall not conduct any union activities during store time (except as set forth in section (*b*) of this paragraph).

(*b*) The employer, upon the request of the union, shall permit a duly authorized representative of the union to visit its establishment, covered by this agreement, at a mutual convenient time, for the purpose of collecting dues and any other proper and necessary union business: *Provided, however,* That this shall not interfere with the normal conduct of the business.

(*c*) It is agreed that employees will not wear union buttons unless the employer grants permission for the wearing of such buttons.

6. (*a*) The minimum wage shall be $16 for the first year of employment and then shall be increased to $17, except that all employees, whether permanent, temporary, or seasonal, shall receive only $1 per day for the first 2 days' employment while in training.

7. (*a*) The regular workweek for employees shall be as follows:

(1) All employees who were working a 45-hour, 6-day week on February 28, 1941, shall work a 40-hour, 5-day week at their present salaries.

(2) All employees who were working a 48-hour, 6-day week on February 28, 1941, shall work a 43-hour, 5-day week at their present salaries.

(3) All employees who were working a 46-hour, 6-day week on February 28, 1941, shall work a 41-hour, 5-day week at their present salaries.

(4) All employees who were working a 52-hour, 6-day week on February 28, 1941, shall work a 48-hour, 6-day week at their present salaries.

(5) All employees in categories 1, 2, and 3 shall work during 4 weeks a year to be designated by the employer, a 46-hour, 6-day week at their present salary, and shall work, during 3 weeks a year to be designated by the employer, a 46-hour, 6-day week at their present salary plus pay for 6 hours at straight time.

(6) All employees in categories 1, 2, and 3 shall work a 40-hour, 5-day week during July and August, and on weeks in which holidays fall the holiday shall be considered the day off of all employees.

(7) No employee shall work more than 9 working hours in 1 day.

(8) With respect to employees in categories 2 and 3, if employees doing similar work in some other competitive major department store shall have their hours reduced to 40 hours, the question of reduction of hours to 40 shall be submitted to arbitration and the arbitrator shall be guided in his decision by the condition existing in such major department store.

(9) Employees in category 1 shall actually work 39½ hours instead of 40 hours.

(10) The commission men shall go on a 44-hour, 6-day week.

(11) The commission men shall continue to receive pro rata pay for their holidays, and shall go on a 40-hour, 5-day week during July and August, and shall receive pay on a pro rata basis for the extra day during July and August.

(12) Regular commission men shall get priority at all times over extras.

(13) The "red" of all commission men shall be wiped out on March 1, 1941.

(*b*) Overtime shall be paid at the rate of time and one-half.

(*c*) Store employees shall finish waiting on a customer, notwithstanding that he or she may have finished a day's work, and such shall not be deemed to constitute overtime.

(*d*) Part-time employees shall receive no less than 4 consecutive hours of employment in any 1 day.

(*e*) The employer shall have the right to call upon employees to work 2 evenings a year for inventory purposes without being obliged to make any payment for such additional time, except that the employer will pay to such employees their supper money.

(*f*) The employer may call general employee and educational meetings which it may deem proper, and the time spent at such meetings shall not be considered as working time if held before regular store hours.

8. All employees shall be entitled to and shall receive 3 days' vacation, with pay in advance, after 26 weeks' employment in 1 year preceding the beginning of the store's regular vacation period; 1 week's vacation, with pay in advance, after 51 weeks' employment in 1 year; 2 consecutive weeks' vacation, with pay in advance, after 102 weeks' employment in 2 years.

9. The employer shall allow regular employees the following holidays with full pay: New Year's Day, Washington's Birthday, Decoration Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day. The employer shall further grant to regular employees 2 personal or religious holidays in each year.

10. If an employee is sent home by the employer because of illness or accident not due to the employee's own negligence, such employee shall be paid for the full day.

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11. (*a*) The employer shall not discharge employees, except for just cause, such as (without thereby limiting the causes for which discharge may be made) dishonesty, inefficiency, etc. In the event that the union should challenge the reasons for discharge of an employee, and if the matter cannot be adjusted between the parties hereto, it shall be settled by arbitration, as hereinafter provided. But in no event shall the employer be required, as it in its uncontrolled discretion may determine, to maintain more employees than are, in its uncontrolled judgment, necessary for the proper conduct of its business.

12. In the event that any employee does not remain a member of the union in good standing, the employer shall replace such employee at the request of the union.

13. (*a*) All things being reasonably equal, the principle of seniority shall be applied to lay-offs, rehiring, and wherever else applicable: *Provided however*, That—

(1) There shall be no seniority preference as between employees who commence work within 1 month of each other;

(2) Any employee who shall be laid off and shall not be reemployed within 4 months shall thereafter, if the employer so determines, have no seniority rights;

(3) No seniority rights shall accrue to seasonal or temporary employees except that it shall be the policy of the employer to grant them preference according to seniority for any part-time or full-time job for which the employer deems them qualified.

(4) Contingent employees holding union permits shall have preference for any available part-time or full-time employment for which they are qualified over proposed new contingent employees.

(5) Should any employee be wrongfully discharged by the employer and ordered to be reinstated by the arbitrator, such employee shall be entitled to receive full pay for the time lost because of such employee's discharge.

(*b*) Seniority, except as herein otherwise provided, shall be based on date of employment for all employees who were employed on February 28, 1941. All those becoming employed after March 1, 1941, shall have their seniority based on the date they are required to join the union.

(*c*) Seniority shall be based on length of employment with the employer.

14. (*a*) Whenever any employee enlists or is called into the military service of the United States, such employee, upon receiving an honorable discharge from such service, shall be reinstated as an employee without loss of seniority: *Provided:*

1. That such employee makes application for reinstatement within 40 days from the date of his honorable discharge from the service.
2. That such employee is capable of resuming his former position.
3. That such former position is then in existence.

If the employee complies with the conditions provided herein and such former position is no longer in operation, such employee shall be reinstated to a similar position if the same is in operation.

(*b*) When such employee enters upon military service, he shall receive a total of 2 weeks' pay which shall include payment for any vacation to which he may be entitled, provided he has been employed not less than 6 months. Those who have been employed more than 1 year shall receive a total of 4 weeks' pay, which shall include payment for any vacation to which they may be entitled.

15. The employer shall permit the union to post union notices and announcements on bulletin boards to be provided by the employer and placed in a convenient position.

16. Committees may be elected by employees, under the supervision of the union. Such committees shall, at a designated time each week, take up with a representative of the employer all grievances arising out of this agreement. In the event that such grievances cannot be adjusted, such matters shall be settled by arbitration as hereinafter provided. A union representative may be present at meetings between the committees and the employer's representatives.

17. (*a*) All complaints, disputes, or grievances arising between the parties to this agreement, involving questions of interpretation or application of any clause of this agreement, or any act or conduct in relation thereto—directly or indirectly—shall be presented by the party asserting a grievance to the other party. Both parties shall first jointly attempt an adjustment within 2 business days. If agreement is not reached, the matter shall then be decided by arbitration. In the event that the parties cannot agree upon an arbitrator, such arbitrator shall be appointed by one of the following in the order specified: The mayor of the city of Newark, the Governor of the State of New Jersey, the City

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of Newark Mediation Board, the State of New Jersey Mediation Board, chief officer of the National Labor Relations Board of the Division having jurisdiction over the city of Newark territory, American Arbitration Society.

(*b*) There shall be no strike, picket, boycott, walk-out, or interruption of the work or business of the employer as long as the employer shall not be in default in complying with the decisions of the arbitrator, and until 10 days have elapsed after delivery of notice in writing by the union to the employer of the union's intention—unless in the meantime the employer shall comply with such decisions of the arbitrator—to strike, picket, boycott, walk out, or interrupt the work or business of the employer. No such action, nor any action similar thereto, shall be taken by the union nor any interruption of the employer's business made or attempted—directly or indirectly—in the employer's establishment. Similarly there shall be no lock-out as long as the union shall not be in default in complying with the decisions of the arbitrator, and until 10 days have elapsed after delivery of notice in writing by the employer to the union of the employer's intention—unless in the meantime the union shall comply with such decisions of the arbitrator—to enforce a lock-out.

18. The provisions of this agreement, with respect to conditions of employment for the period commencing with the 1st day of March 1942 and for the annual period commencing with the 1st day of March 1943, shall be subject to adjustment, upon the request of either party hereto. In the event that either party hereto desires such an adjustment, it shall so inform the other party hereto, in writing, at least 10 days prior to any of the dates upon which this agreement is subject to adjustment. In the event an agreement cannot be reached by the parties, the matter shall be subject to arbitration, as hereinabove provided. The decision of the arbitrator shall be final and binding upon both parties and shall be effective as of March 1. Both parties agree that, in making his decision, the arbitrator must, among other things, give full consideration to the prevailing competitive conditions existing at the time.

In witness whereof, the parties hereto have hereunto set their hands and seals, the day and year first above written.

HEARN DEPARTMENT STORES, INC.,
(Signed) ——— ———, *Vice President and Treasurer.*
RETAIL CLERKS INTERNATIONAL PROTECTIVE ASSOCIATION, AMERICAN FEDERATION OF LABOR,
(Signed) ——— ———,
By its agent, DEPARTMENT & VARIETY STORES EMPLOYEES UNION, LOCAL 1115-A,
(Signed) ——— ———, *President.*

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Electrical Manufacturing Agreement

Agreement entered into this — day of April 1941 between the GENERAL ELECTRIC COMPANY, hereinafter referred to as the company, and the UNITED ELECTRICAL, RADIO AND MACHINE WORKERS OF AMERICA, in conjunction with its affiliated General Electric locals, hereinafter referred to as the union.

ARTICLE I

Union recognition

1. The company agrees to recognize the union as the sole collective-bargaining agency for those plants or units where the union, through a National Labor Board election or certification or other appropriate means satisfactory to both parties, has been or shall be designated or recognized as the sole collective-bargaining agency. The procedure of such collective bargaining shall be by plants or works except where the issue involves several or all plants. The plants now covered are listed below:

[List of plants and local unions omitted.]

ARTICLE II

Working conditions

1. It is the aim of the company to provide working conditions of the highest type for its employees and to strive constantly to prevent accidents and health hazards by every available means including systematic safety inspections, safety devices, guards, and medical service.

ARTICLE III

Discrimination and coercion

1. There shall be no discrimination by foremen, superintendents, or other agents of the company at any plant of the company, against any employee because of the employee's membership in the union.

2. The union agrees that neither its officers nor its members, nor persons employed directly or indirectly by the union, will intimidate or coerce employees; nor will it solicit members on company time.

ARTICLE IV

Schedule of hours and overtime

1. The maximum working week shall be 40 hours per week, 8 hours per day, 5-day week from Monday to Friday, inclusive.

2. All work performed in excess of 8 hours in any single day, in excess of 40 hours in any given week and all work performed on Saturdays, shall be paid for at the rate of time and a half; Sundays and observed holidays shall be paid for at the rate of double time. On jobs which require continuous operation, such as power-house attendants, guards, and on jobs requiring continuous manufacturing processes, such as those which for reasons of protection of equipment and material must be run on a 24-hour day and week-by-week basis, overtime premium will not be paid for the regular schedule of hours worked on Saturdays, Sundays, and holidays.

ARTICLE V

Differential for second- and third-shift employees

1. A differential of 10 percent will be paid for recognized second- and third-shift operations.

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ARTICLE VI

Wage rates

1. Any question of a flat adjustment affecting all plants shall be subject to negotiation in accordance with the terms of this agreement.

2. On questions affecting individual and group adjustments, hourly rates and piece rates shall be subject to negotiations between the plant managements and the local unions at any time.

3. *Piece rates.*—Piece rates which have been definitely established shall not be decreased without giving 1 week's advance notification to the employee and to his representative.

4. *Employee ratings.*—Employees will be given their ratings each time the ratings are made.

ARTICLE VII

Vacations

1. Vacations with pay allowance may be granted to employees as follows: One week after completion of 1 year of continuous service and 2 weeks after completion of 5 years of continuous service.

(*a*) No vacation pay allowance shall be made to any employee when leaving the employ of the company for any reason.

(*b*) Employees not registered on the pay roll are not entitled to a vacation. If such employees are reengaged with continuity of service they must work a period of 6 months (or a period equivalent to their absence if less than 6 months) before receiving the vacation for which they are eligible.

(*c*) It will not be permissible to postpone vacations from one year to another, or to omit vacations and draw vacation pay allowance in lieu thereof.

(*d*) Holidays of any kind occurring during an employee's vacation will be counted as part of his vacation time.

(*e*) When an employee who is qualified for vacation allowance is granted a leave of absence, the first week or 2 weeks may be designated as his vacation time, and with the manager's approval the vacation pay allowance for which he is qualified may be paid in accordance with paragraph 3, section (*a*).

2. Those works shutting down annually for vacation purposes, shall consider the vacation season to run concurrently with the shut-down period, except for employees whose term of 1 or 5 years of continuous service is completed after the shut-down period. These employees may be granted vacation pay allowance after the shut-down period but before the end of the year; if they were absent during the shut-down they may not be required to take additional time off. Other exceptions for certain departments or individuals, by reason of the requirements of the business, shall be at the manager's discretion.

The vacation season shall begin on June 1 and end on December 31 of each year. Vacations outside of shut-down will be scheduled to conform to the requirements of the business. No vacation shall be divided unless it is of 2 weeks' duration, in which case it may, with the consent of the manager, be divided into two periods of 1 week each.

The vacation season shall begin on June 1 and employees who have worked a fixed number of months from previous vacation period will be paid pro rata if laid off for lack of work. Schedule of payments—under 6 months, no allowance; 6 to 7 months, pay $6/12$ scheduled amount; 7 to 8 months, $7/12$; 8 to 9 months, $8/12$; 9 to 10 months, $10/12$; and over 10 months, full allowance.

3. A vacation pay allowance will be determined by multiplying the average hourly earnings (exclusive of overtime) by the number of hours in the standard weekly schedule. The average earnings will be obtained from the last available regular monthly statistics, except that when an employee's job or rate has been changed prior to or coincident with the vacation period, the new rate of earnings will be used.

(*a*) Vacation pay allowances may be drawn in advance on the pay day preceding the employee's vacation.

(*b*) For determining vacation allowance payments, the following is included in average hourly earnings: Night-shift bonus for employees whose regular schedules are on these shifts.

4. As the practice of annual shut-downs is applied in the several plants which have not followed this practice previously, the company will discuss the situation with the union as far in advance as possible.

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Article VIII

Job classification

1. Before a woman or a minor is placed on a job which has been done previously by a man, or partially done by men, the matter should be brought to the attention of the local executive board by the local management with reasons why it should be done, at least 1 week in advance.

Article IX

Increasing forces

1. Additional employees are needed from time to time, in order to meet increased production requirements, to provide the necessary new facilities, and to properly maintain existing facilities.

2. The company recognizes the fact that an employee having experience and training in the manufacture of its products is more valuable than one who lacks such experience. Consequently, in selecting additional employees, the company agrees to the policy of reviewing those whose names are off the pay-roll but who have continuous or previous service, giving consideration to the following factors: (*a*) Length of continuous service; (*b*) ability, skill, and experience; (*c*) family status—number of dependents, etc.

In cases where the second and third factors taken together have relatively equal weight, length of continuous service shall rule.

Article X

Decreasing forces

1. Generally speaking, personnel will not be reduced until production has decreased at least 10 percent below that called for by the established working schedule and after every effort has been made to transfer employees from slack to busier departments. If reduction of forces is necessary, advance notice will be given together with reasons for the change. Any employee to be laid off for lack of work for an extended or indefinite period will be given notice of at least 1 week.

2. In selecting employees to be laid off, the following factors shall be given consideration: (*a*) Length of continuous service; (*b*) ability, skill, and experience; (*c*) family status—number of dependents, etc.

In cases where the second and third factors taken together have relatively equal weight, those with the shortest period of continuous service will be laid off first.

3. Any employee selected for dismissal or extended lay-off will be advised personally of the reasons therefor. Any employee may, if he desires, have his representative present at the time the reasons are given.

Article XI

Continuity of service

1. The continuity-of-service record of those reemployed after lay-offs is at present reviewed. Regulations have been set up so that each reengaged employee is notified as to his service record. The service record of any employee who has been out more than 1 year will be sent to the committee on eligibility and allowances for review. It has been and is the intention of the company to automatically restore service of an employee at the time he is rehired, if he is eligible.

Article XII

Transfer to higher-rated job

1. When an employee is transferred to a higher-rated job group and qualifies therefor, he will receive the established rate for the job to which he is assigned.

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Article XIII

Transfer to lower-rated job

1. When an employee is transferred to a lower-rated job group, he will be informed of the reasons for his transfer and receive the established rate for the job to which he is assigned. Employees who are permanently transferred to a lower-rated job will receive 1 week's notice before the transfer is made or will be paid for the first week at the rate of the previous job.

Article XIV

Lists of hirings, lay-offs, and transfers

1. The business agent or the president of a local union will be given details on employees laid off for lack of work after notification has been given to the employees, and similar information on reengaged employees after they have been rehired.
2. The information will consist of the name, years of service, dependents, occupation, and ability rating of the employee. Foremen will give information to stewards on departmental lay-offs.
3. The union will also be given lists of new employees after they have been engaged, and details on transfers which are made through the personnel department.

Article XV

Seniority preference for stewards

1. On request of a local union, a shop steward with at least 1 year of service shall be given seniority preference in accordance with the provisions of the agreement entitled "Decreasing forces" at the time when lay-offs take place within the group for which he is acting as steward, provided he is a satisfactory workman.

Article XVI

Leave of absence

1. A member of the union with at least 1 year of service shall, on request of the union, be granted 1 year's leave of absence for union activities with continuity of service. If more time is required, the company will consider extending this leave of absence. Upon completion of his mission, he will be given reemployment on the basis of his continuity of service in his former position or similar position at the going rate at the time of his return.

Article XVII

Procedure on disputes

1. Any employee in any plant may take a grievance to his foreman, with or without his steward, or his steward may deal with the foreman and receive an answer generally within 24 hours.
2. If a settlement is not reached the steward may refer the grievance to the executive committee of the local union, who may contact the management.
3. Should any question arise which under the regularly established grievance procedure cannot be settled by the local union with that particular plant management, such cases may be referred to the national officers of the union and an executive officer of the company who shall arrange a conference (if necessary) with representatives of the local union. In special cases, a committee of plant managers will meet with the executive officer of the company and the union representatives.
4. The union will not cause or officially sanction its members to cause or take part in any sit-down, stay-in, or slow-down, or any other stoppage in any of the plants of the company within the terms of this agreement; nor will the company lock out any employee or transfer any job under dispute from the local plant; nor will the local management take similar action while a disputed job is under

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discussion between the local executive board and the local management until all the bargaining agencies mentioned in the grievance procedure shall have been employed without success.

5. *Investigating grievances.*—In those cases where it is mutually agreed by management and union representatives that an inspection of the job would be helpful in settling the case, a subcommittee of the union with a management representative shall be allowed to make an inspection of the job.

ARTICLE XVIII

Impartial umpire

1. In the event no agreement is reached on any matter through direct negotiations, the two parties will then consider referring such matter to an impartial umpire or board by mutual agreement.

ARTICLE XIX

Local understandings

1. All present local understandings will remain in effect unless changed by mutual agreement or unless they deprive the employees of any benefits provided for by this agreement.

ARTICLE XX

Financial support

1. The company shall not give financial aid to or otherwise support any labor organization. This, however, shall not prevent both parties to this contract from cooperating and exchanging such information essential for the furtherance of agreeable relations.

ARTICLE XXI

Notifications and publicity

1. The company agrees to notify the local union and the national officers of any matter affecting employees and not covered by this agreement as soon as the foremen are notified.

2. On any matter which has been negotiated between the company and the union or the local union, the company will notify the union before it notifies its organization. The company will agree with the union as to the date of newspaper publicity or other announcement on any matter that has been thus negotiated.

ARTICLE XXII

Posting

1. The company will permit the union to use company bulletin boards. All notices shall have the manager's approval and he will also arrange for posting.

ARTICLE XXIII

Modification

1. Either party to this agreement may at any time present to the other, proposed modifications or revisions of any of the provisions hereof and the reasons for such recommendations. Within 30 days after notice is given, a conference shall take place for the purpose of considering such modification or revision. In the event no agreement is reached, the proposed modification or revision may be submitted to an impartial umpire, in accordance with article XVIII of this agreement.

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ARTICLE XXIV

Termination

1. This agreement shall be binding upon the signatories hereto and shall be in full force and effect for a period of 1 year and thereafter from year to year unless either party gives the other party 90 days' advance written notice of cancelation.

For the GENERAL ELECTRIC COMPANY,	For the UNITED ELECTRICAL, RADIO AND MACHINE WORKERS OF AMERICA,
——— ———	——— ———
——— ———	——— ———

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Hotel Agreement

This contract made and entered into this 16th day of June 1937, by and between Trianon Hotel Company, operating [names of hotels], contracting severally and not jointly but hereinafter collectively designated as employer and the Hotel and Restaurant Employees International Alliance and Bartenders International League of America, Locals Nos. 19, 266, 420, and 503, and Miscellaneous Local No. — of Kansas City, Jackson County, Mo., for and in behalf of the members thereof now employed and hereafter to be employed by said employer and collectively hereafter referred to as the union.

WITNESSETH

WHEREAS, The parties desire to cooperate for the purpose of insuring continuous and harmonious relations between labor and management and to stabilize the conditions so that the joint action of labor and management of the hotel business may be made mutually profitable and satisfactory, and

WHEREAS, The parties hereto deem it necessary to provide adequate means and methods to effectuate the above purposes so that the friendly relations may continue to prevail and that conditions in the hotel business may be stabilized on a higher standard, and

WHEREAS, The parties hereto desire to promote the efficiency of the members of the union,

Now, therefore, it is agreed between the parties hereto as follows:

I

It is agreed that all former employees of the employer who were employees of the employer on Saturday, May 29, 1937, shall return to their employment and to the positions which they left on said date and that all of the employees of the said employer who have left said employment since said date shall return to their said employment, and to the positions which said employees have so left, provided that any such employee shall personally report for duty at the employer's premises by 9 a. m., June 21, 1937.

The employer agrees to employ only members of Waiters' Union Local No. 19, of Cooks' Union Local No. 266, of Bartenders' Union Local No. 420, of Waitresses' Union Local No. 503, and Miscellaneous Local No. —, including all persons within the national jurisdiction of said local unions, in the positions hereinafter set out and at the wage scales attached to and forming a part of this contract and all employees who may hereafter be employed to render service of the general character of the employees set out in such wage scale, subject to the modification contained in section III of this contract.

It is further agreed that any employee or employees employed by the employer or hereafter employed by the employer, the description of which is not contained in this contract, but the work of whom shall be within the jurisdiction of any of the locals above described, shall be subject to the terms and conditions of this contract, the same as though the said employments had been described herein; and where there is no wage scale fixed by this contract for such undescribed employee or employees, a wage scale shall be agreed upon by the union and the employer where same can be done, or said wage scale shall be arbitrated by an arbitration board of three, one to be selected by the union, one to be selected by the employer, and the third to be agreed upon by the other two.

II

No contract nor other understanding in violation of this agreement shall be allowed between the employer and the employees covered by this agreement, either individually or in groups.

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III

The employer shall have the unrestricted right to make replacements and fill new positions with persons of his own selection whether they belong to any union or not. Such newly engaged employees, however, if retained by the management, must within 15 days from the date of employment, make application for membership in the appropriate local, and must be accepted by said local into membership. Said newly engaged employee shall then become a party to this agreement and entitled to all the rights, privileges, and benefits of this agreement and shall be subject to all the obligations of the same.

IV

The employer shall have the unrestricted right to discharge any employee. It is expressly understood and agreed that the hiring of a substitute or replacement employee, who shall belong to the appropriate union or shall within 15 days after employment file application for membership in such union, shall be final and conclusive evidence that the employee discharged or replaced was discharged or replaced in good faith and shall be final and conclusive evidence that the employee discharged or replaced was not discharged or replaced on account of any union activity or affiliation.

V

Notwithstanding anything herein contained to the contrary, the employer shall have the unrestricted right to discontinue any department or to reduce the personnel of any department.

VI

It is agreed that the members of each of the locals affected by this contract will have the right to designate one of their men as a "shop steward," who shall have the right to see that the union cards are in good standing.

VII

Cooks shall furnish all linen. Laundering of the same shall be done at the expense of the employer.

All regulation uniforms of hotel employees shall be furnished by the employer, laundering and upkeep of same to be maintained by the employer. This regulation shall apply to waiters, waitresses, bus boys, bus girls, waitress captains, waiter captains, bartenders and bartenders' helpers, and all miscellaneous employees requiring uniforms.

All dining-room and kitchen employees shall be furnished meals by the employer while on duty.

VIII

Should the wages of any of the employees covered by this agreement be fixed at a higher rate by legislation, either Federal or State, applicable to and binding upon the employer, such higher rate shall supplant the rates provided in this contract and become a part of it. If hours provided for herein are shortened by legislation, then the wage scale shall be adjusted equitably and if not agreed to shall be arbitrated as provided in section I.

IX

No employee shall work more than 6 days a week.

No deduction shall be made from the salary or wages of any of the employees covered by this contract other than deductions required by the Government of the United States or of the State of Missouri.

X

The union agrees that during the period of this agreement there shall be no strike declared, and the members of the union who are employees under this contract severally agree that they will not participate in any strike, and the employer agrees that there shall be, during the period of this contract, no lock-out.

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XI

It is understood and agreed that the said unions shall be the sole bargaining agent for all of the employees under all of the classifications herein included with reference to hours, wages, and other conditions of employment.

XII

It is further agreed that the schedules herein described and made a part of this contract are minimum wages only, and that no individual now working for the employer or who was working for him on May 29, 1937, shall receive any reduction in wages nor any increase in hours.

XIII

The hours of the employees covered by this contract shall be as heretofore maintained, except as by this contract modified. Where 2 relays have been made during an 8-, 9-, or 10-hour shift, 1 relay shall not be made during the same period of time.

XIV

No employee shall be required to divide any gratuity which he may receive with anyone else.

XV

For the purpose of an exact understanding of the wage schedules herein agreed upon, it is agreed that the hotels mentioned below shall be graded as follows:

Class A. [Name of hotel.]
Class B. [Names of hotels.]
Class C. [Names of hotels.]

XVI

This agreement shall continue in force for a period of 5 years from the date hereof, except as to the scales of wages and hours. The scales of wages and hours herein provided shall continue in force for a period of 1 year from the date hereof. If either of the parties hereto desires a change in the wage scale or hours or working conditions affecting compensation or sanitation during the second or any succeeding year of this contract, such party shall give the other party written notice thereof at least 30 days prior to the expiration of the first year, or any succeeding year, and the parties shall thereupon negotiate as to such changes. If the parties in that event fail to reach an agreement as to the changes before the expiration of any such year, the matter shall be submitted to arbitration by arbitrators selected in the manner provided in section I hereof, and the decision of the arbitrators shall be final and binding, and shall be retroactive to the beginning of such year. During the period of arbitration, employees shall continue to work under existing conditions and shall receive pay at the existing scale.

It is expressly understood and agreed that any negotiations on, consideration of, or arbitration for any such yearly adjustment shall be under and subject to the provisions of this agreement.

XVII

Except as herein otherwise expressly provided, it is agreed that the employer shall not be required to make any change in working conditions which now prevail.

XVIII

During the first year of this agreement the initiation fee for members of the Miscellaneous Union shall not exceed the sum of $2.50 and the monthly dues shall not exceed the sum of $1.25. During the period of this agreement no new applicant for admission to any union shall be charged a greater initiation fee or required to pay larger monthly dues than those applicable to all other members of such local union.

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XIX

The following employees shall not be required to be members of any union: Employees in the accounting department, clerical help, desk clerks, telephone operators, stenographers, cashiers, checkers, executives and assistant managers, department heads, receiving clerks, house officers, watchmen, storeroom men, and custodians of supplies and hotel property.

XX

Each employee shall be required to report the number of meals consumed each day, as required by the employer for the purpose of calculating Federal old-age insurance. If any employee shall fail to report the number of meals taken on the day the same are taken, or the day immediately following, such employee shall be conclusively presumed to have received no meals.

XXI

Notwithstanding anything hereinbefore to the contrary, in the event the employees now have or by vote elect to carry group or health insurance, deductions may be made covering premiums to be paid by the respective employees.

XXII

The wages set forth on the attached schedules are on a monthly basis, except as otherwise designated. Wages set forth on a monthly basis shall be paid, however, on a daily basis for the number of days worked. The daily wage to be paid each employee shall be computed by multiplying the monthly wage scale by 12 and dividing the result so obtained by 313. Except for extra help, wages may be paid weekly or bimonthly at the option of the employer, each such payment to cover the number of days worked.

XXIII

All present employees of the employer who are not now members of said union shall have 15 days from the date hereof in which to file application for membership in such union and shall be accepted by said union as members.

XXIV

There are attached hereto and made a part hereof, schedules setting forth the minimum-wage scales and hours of employment and in certain instances conditions and miscellaneous items classifying and affecting the employees of said unions. Each of said schedules is identified by the signatures of the representatives of the respective unions and by the employer, and the parties hereto agree to abide thereby.

XXV

It is specifically agreed that each of the several employers above named contracts, agrees, and covenants, for itself alone, and not for any other of said employers; and none of said employers shall be in any wise held liable or responsible by any of said unions for any breach or any act or omission on the part of any other employer.

In witness whereof, the parties hereto have caused this agreement to be duly executed by their duly authorized officers and representatives the day and year first above written.

(Signatures of six hotels.)

(Signatures of six participating local unions.)

[Wage lists omitted.]

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Longshore Agreement

This agreement by and between THE INTERNATIONAL LONGSHOREMEN'S AND WAREHOUSEMEN'S UNION, DISTRICT No. 1, hereinafter designated as the "union," and the WATERFRONT EMPLOYERS ASSOCIATION OF THE PACIFIC COAST on behalf of the WATERFRONT EMPLOYERS OF WASHINGTON, WATERFRONT EMPLOYERS OF PORTLAND, WATERFRONT EMPLOYERS ASSOCIATION OF SAN FRANCISCO, and WATERFRONT EMPLOYERS ASSOCIATION OF SOUTHERN CALIFORNIA, hereinafter designated as the "employers":

WITNESSETH

The award of the National Longshoremen's Board dated October 12, 1934, as amended by agreements of February 4, 1937, July 15, 1938, and October 1, 1938, as interpreted by abitrators in awards rendered thereunder, is hereby extended and renewed in form so amended as to read in the manner hereafter set forth. Said amended agreement shall become effective on the date hereof, and remain in effect until September 30, 1942, and shall be deemed renewed thereafter from year to year unless either party gives written notice to the other of a desire to modify or terminate the same, said notice to be given at least 60 days prior to the expiration date. Negotiations shall commence within 10 days after the giving of such notice.

SECTION 1. The provisions of this agreement shall apply to all handling of cargo in its transfer from vessel to first place of rest, and vice versa, including sorting and piling of cargo on the dock, and the direct transfer of cargo from vessel to railroad car or barge, and vice versa, when such work is performed by employees of the companies parties to this agreement.

It is agreed and understood that if the employers, parties to this agreement shall subcontract work as defined herein, provisions shall be made for the observance of this agreement.

The following occupations shall be included under the scope of this agreement: Longshoremen, gang bosses, hatch tenders, winch drivers, donkey drivers, boom men, burton men, sack turners, side runners, front men, jitney drivers, lift jitney drivers, and any other person doing longshore work as defined in this section.

SEC. 2. Six hours shall constitute a day's work. Thirty hours shall constitute a week's work, averaged over a period of 4 weeks. The first 6 hours worked between the hours of 8 a. m. and 5 p. m. shall be designated as straight time, but there shall be no relief of gangs before 5 p. m. All work in excess of 6 hours between the hours of 8 a. m. and 5 p. m. and all work during mealtime and between 5 p. m. and 8 a. m. on weekdays and from 5 p. m. on Saturday to 8 a. m. on Monday, and all work on legal holidays, shall be designated as overtime. Mealtime shall be any 1 hour between 11 a. m. and 1 p. m. When men are required to work more than 5 consecutive hours without an opportunity to eat, they shall be paid time and one-half of the straight or overtime rate, as the case may be, for all time worked in excess of 5 hours without a meal hour.

SEC. 3. (*a*) The basic rate of pay for longshore work shall not be less than 95 cents per hour for straight time, nor less than $1.40 per hour for overtime: *Provided, however*, That for work which is now paid higher than the present basic rate, the differentials above the present basic rates shall be added to the basic rates established in this paragraph. Wage rates specified in this paragraph shall be subject to review at the times and in the manner hereinafter set forth.

(*b*) In addition to the basic wages for longshore work as provided in section 3 (*a*), additional wages to be called penalties shall be paid for the types of cargo, condition of cargoes, or working conditions specified below.

The penalty rates hereinafter set forth shall be the only penalty cargo rates payable and none of such penalty cargo rates shall hereafter be subject to alteration or amendment except by agreement of all of the parties hereto.

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Penalty cargo rates shall apply to all members of the longshore gang, including dockmen, except where herein otherwise specified. Where differentials are now paid for skill, penalty cargo rates shall not be pyramided thereon. Where the cargo penalty rate herein is higher than the skilled rate paid to any member of the gang, such member shall receive the cargo penalty rate less than the allowance which he is receiving for skill.

Present port practices shall be continued in the payment of penalties to gang bosses, if they are employed.

Where two penalties might apply the higher penalty shall apply, and in no case shall more than one penalty be paid.

Penalty Cargo Rates

Commodities and conditions of work	*Penalty rate, cents*
For shoveling all commodities except commodities earning higher rate:	
Straight time, per hour	20
Overtime, per hour	30
To boardmen stowing bulk grain:	
Straight time, per hour	30
Overtime, per hour	30
For handling bulk sulphur, soda ash, and crude untreated potash:	
Straight time, per hour	45
Overtime, per hour	45
Untreated or offensive bones in bulk:	
Straight time, per hour	75
Overtime, per hour	80
For handling phosphate rock in bulk:	
Straight time, per hour	30
Overtime, per hour	30
When handling the following commodities in lots of 25 tons or more a penalty for both straight and overtime work in addition to the basic rate shall be 10 cents per hour:	
Straight time, per hour	10
Overtime, per hour	10

[Remainder of itemized lists of cargo omitted.]

SEC. 4. The hiring of all longshoremen shall be through halls maintained and operated jointly by the International Longshoremen's and Warehousemen's Union, Pacific Coast District Number One, and the respective employers' associations. The hiring and dispatching of all longshoremen shall be done through one central hiring hall in each of the ports of Seattle, Portland, San Francisco, and Los Angeles, with such branch halls as the labor relations committee, provided for in section 9, shall decide. All expense of the hiring halls shall be borne one-half by the International Longshoremen's and Warehousemen's Union and one-half by the employers. Each longshoreman registered at any hiring hall who is not a member of the International Longshoremen's and Warehousemen's Union shall pay to the labor relations committee toward the support of the hall a sum equal to the pro rata share of the expense of the support of the hall paid by each member of the International Longshoremen's and Warehousemen's Union.

SEC. 5. The personnel for each hiring hall shall be determined and appointed by the labor relations committee for the port, except that the dispatcher shall be selected by the International Longshoremen's and Warehousemen's Union.

SEC. 6. Preference of employment shall be given to members of Pacific Coast District International Longshoremen's and Warehousemen's Union whenever available. This section shall not deprive the employers' members of the labor relations committee of the right to object to unsatisfactory men (giving reasons therefor) in making additions to the registration list, and shall not interfere with the making of appropriate dispatching rules.

SEC. 7. (*a*) The following holidays shall be recognized: New Year's Day, Lincoln's Birthday, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Armistice Day, Thanksgiving Day, General Election Day, Christmas Day, or any other legal holiday that may be proclaimed by State or National authority. When a holiday falls on Sunday the following Monday shall be observed as a holiday.

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(*b*) Election Day. On election day the work shall be so arranged as to enable the men to vote.

SEC. 8. The hiring and dispatching of longshoremen in all ports covered by this award other than those mentioned in section 4, and excepting Tacoma, shall be done as provided for the ports mentioned in section 4; unless the labor relations committee in any of such ports establishes other methods of hiring or dispatching.

SEC. 9. The parties shall immediately establish and maintain during the existence of this agreement a coast labor relations committee of six members, three to be designated by the employers and three by the union. There shall also be established and maintained throughout the existence of this agreement a port labor relations committee for each port affected by this agreement, composed of three representatives designated by the employers' association of the port and three to be designated by the local union. By mutual consent any labor relations committee may change the number of representatives of the respective parties. Any coast or port labor relations committee shall meet promptly at the request of either party.

The coast labor relations committee shall have power and jurisdiction to determine any question involving the interpretation of this agreement and to decide any dispute arising thereunder. The coast labor relations committee shall have power to set aside any decision or other action of any port labor relations committee and shall have the power and duty to establish uniform coast working and dispatching rules for any or all of the ports affected hereby and to interpret and apply the same.

The parties shall endeavor to agree upon a coast arbitrator; if they cannot so agree, the Secretary of Labor or any person authorized by the Secretary shall, at the request of either party, appoint one coast arbitrator. Before making such appointment, the Secretary of Labor shall be requested to confer with the parties. If the coast arbitrator shall at any time be unable or refuse or fail to act or shall resign, then at the request of either party the Secretary of Labor shall promptly appoint his successor or substitute.

The parties, or, at the request of either of them, the coast arbitrator, shall select arbitrator's agents, one for each of the four districts of Puget Sound, Columbia River, northern California, and southern California. All expenses of the coast arbitrator and of the arbitrator's agents and their respective compensations or salaries shall be equally borne by the parties. Each of the arbitrator's agents shall at all times function under and in accordance with the decisions and directions of the coast arbitrator. Both the coast arbitrator and the arbitrator's agents shall at all times be available for the performance of their respective functions and duties under the provisions of this agreement.

In the event that any port labor relations committee shall fail to agree on any question before it, it shall be immediately referred at the request of either party to the coast labor relations committee for decision. In the event that the coast labor relations committee fails to agree on any question involving the interpretation of this agreement or any dispute arising hereunder, or upon any other question of mutual concern not covered by this contract and relating to the industry, such question shall, at the request of either party, be referred to the coast arbitrator for decision.

The coast arbitrator shall have power to hear and determine any complaint of either party concerning alleged violations of the provisions of this agreement and shall have power to finally and conclusively determine the same.

All meetings of the coast labor relations committee and all arbitration proceedings before the coast arbitrator shall be held in the city and county of San Francisco, State of California, unless the parties shall otherwise stipulate in writing. All decisions of the coast arbitrator shall be given in duplicate and shall be in writing signed by the arbitrator and shall be delivered to the respective parties.

Nothing in this section shall prevent the parties from agreeing upon other means of deciding matters upon which there has been disagreement.

The coast arbitrator shall have power to delegate to the arbitrator's agents the power to hear and determine disputes arising under the contract of a local significance or character, and in such case the action of the coast arbitrator in delegating such authority shall be conclusive upon all parties. Arbitration proceedings before any arbitrator's agent shall be conducted in the same manner as proceedings before the coast arbitrator.

All decisions of the coast arbitrator and of the arbitrator's agents shall be final and binding upon all parties.

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SEC. 10. Subject to the control and direction of the coast labor relations committee, the duties of the port labor relations committee shall be:

(*a*) To maintain and operate the hiring hall.

(*b*) To have complete control of the registration list of the regular longshoremen of the port including the power to make such additional registrations of the longshoremen as may be necessary; no longshoremen not on such a list shall be dispatched from the hiring hall or employed by any employer while there is any man on the registered list qualified, ready, and willing to do the work.

(*c*) To decide questions regarding rotation of gangs and extra men; revision of existing lists of extra men and of casuals; and the addition of new men to the industry when needed.

(*d*) To investigate and adjudicate all grievances and disputes relating to working agreements.

(*e*) To decide all grievances relating to discharges. The hearing and investigation of grievances relating to discharges shall be given preference over all other business before the committee. In case of discharge without sufficient cause, the committee may order payment for lost time or reinstatement with or without payment for lost time.

(*f*) To decide any other question of mutual concern relating to the industry and not covered by this agreement.

SEC. 11. (*a*) Subject to the control and direction of the coast labor relations committee, the labor relations committee for each port shall determine the organization of gangs and methods of dispatching. Subject to this provision and to the limitations of hours fixed in this agreement, the employers shall have the right to have dispatched to them, when available, the gangs in their opinion best qualified to do their work. Subject to the foregoing provisions, gangs and men not assigned to gangs shall be so dispatched as to equalize their work opportunities as nearly as practicable, having regard to their qualifications for the work they are required to do. The employers shall be free to select their men within those eligible under the policies jointly determined, and the men likewise shall be free to select their jobs.

(*b*) The longshoremen shall perform work as ordered by the employer in accordance with the provisions of this agreement. If a dispute arises concerning the manner in which work shall be carried on it shall continue in accordance with the orders of the employer, except in those cases where the longshoremen in good faith believe that to do so is to immediately endanger the health and safety of the men. In all such cases the arbitrator's agent for the district shall be immediately summoned and shall forthwith determine the manner in which work shall be performed thereafter pending settlement of the dispute. Any order of the arbitrator's agent relative to the manner in which work shall be carried on shall be binding on both parties, and shall be immediately complied with.

(*c*) The employers shall have the right to discharge any man for incompetence, insubordination, or failure to perform the work as required in conformance with the provisions of this agreement. If any man feels that he has been unjustly discharged or dealt with, his grievance shall be taken up as provided in section 10.

(*d*) It is agreed that the employers shall be free so far as they desire to do so to place into immediate use all labor-saving devices and labor-saving equipment; and the employers shall at all times in the future be free, without interference from the union or its members, to introduce such labor-saving devices and to institute such methods of loading and discharging cargo as they consider to the best conduct of their business, provided such methods of discharging and loading are not inimical to the safety or health of the employees.

If at any time the union shall notify the employers that it contends that earnings of registered longshoremen and their employment have suffered materially from the introduction and use of labor-saving devices and methods in addition to those already used and practiced in the past, then it is agreed that proposals relative to the conditions under which labor-saving devices and practices shall be continued will be a proper and appropriate subject for negotiation and, if the parties cannot agree, for arbitration before the coast arbitrator, upon the establishment that there is reasonable compliance with this agreement and that the following conditions then exist:

1. That the use of labor-saving devices has been materially increased beyond the uses heretofore practiced;

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2. That such increased use has materially and adversely affected the earnings and employment of registered longshoremen on the Pacific coast;

3. That the union and its members have not interefered with and are not interfering with the introduction of labor-saving devices by the employers;

4. That efficiency in longshore work has been materially improved as a result of such use.

(*e*) All members of the union shall perform their work conscientiously and with sobriety, and with due regard to their own interests shall not disregard the interests of their employers. Any member of the union who is guilty of deliberate bad conduct in connection with his work as a longshoreman or through illegal stoppage of work shall cause the delay of any vessel shall be fined, suspended, or for deliberate repeated offenses expelled from the union. Any employer may file with the union a complaint against any member of the union, and the union shall act thereon and notify the labor relations committee of its decision within 10 days from the date of receipt of the complaint.

After the expiration of 90 days from this date, if the employers are dissatisfied with the disciplinary action taken under the foregoing paragraph, then the following independent procedure may be followed.

The port labor relations committee shall have the power and duty to impose penalties on longshoremen who will be found guilty of stoppages of work, refusal to work cargo in accordance with the provisions of this agreement, or shall leave the job before relief is provided, or who shall be found guilty of pilfering or broaching cargo, or be found guilty of drunkenness, or shall in any other manner violate the provisions of this agreement or any award or decision of an arbitrator or arbitrator's agents. If any port labor relations committee shall fail to agree upon the imposition of a penalty, or the adequacy thereof, the matter shall then go before the coast labor relations committee, and, if it cannot agree, the coast arbitrator for decision.

(*f*) Promptly on the execution of this agreement, the coast labor relations committee shall establish basic coast standard dispatching and working rules as far as practicable; in the event that the committee is unable to agree upon any of the matters set forth in this section, the matter shall be referred to the coast arbitrator for decision, at the request of either party. All local port dispatching, working, and safety rules in effect at this time shall continue in effect until changed or superseded in accordance with the terms of this agreement.

(*g*) The employers shall provide safe gear and safe working conditions. A safety code for longshore work shall be negotiated by the parties and if they shall not agree, it shall be arbitrated only by mutual consent.

(*h*) Loads for commodities covered herein handled by longshoremen shall be of such size as the employer shall direct, within the maximum limits hereinafter specified, and no employer after such date shall direct and no longshoremen shall be required to handle loads in excess of those hereinafter stated. The following standard maximum sling loads are hereby adopted:

[List of maximum sling loads omitted.]

It is agreed that the employers will not use the maximum loads herein set forth as a subterfuge to establish unreasonable speed-ups; nor will the I. L. W. U. resort to subterfuges to curtail production.

No port labor relations committee shall have power to add to or to alter in any respect any of the maximum loads herein provided for.

Sec. 12. Commencing on the date hereof and continuing during the life of this contract, the coast labor relations committee shall conduct investigations and a survey looking toward the restoration of reasonable efficiency (excluding comparisons prior to January 1, 1935) in the performance of longshore work and reasonable compliance with the provisions of this contract, which the union agrees to provide and maintain during the life of this agreement.

On February 1, 1941, a wage review shall be conducted of the basic straight and overtime wage rates specified in section 3 hereof, the employers agreeing that if by that date reasonable rates of production and efficiency (excluding comparisons prior to January 1, 1935) have been restored and reasonable compliance with this contract has been provided by the union, a wage increase in addition to the basic wage rate set forth in section 3 amounting to 5 cents per hour straight time and 10 cents per hour overtime shall be granted.

Said date of February 1, 1941, for such wage review is conditioned upon the execution of this agreement on or before December 1, 1940, and if the execution thereof shall be delayed at the request of the union, then the date of such wage review shall be correspondingly deferred.

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It is further agreed that if the employers shall refuse to grant such increase, the matter shall at the request of the union be referred to the coast arbitrator who shall determine in conjunction with the efficiency then prevailing and reasonable compliance then provided, whether such increase shall be granted.

Semiannually thereafter, the rates of pay and overtime rates prevailing shall, at the request of either party, be reviewed, and if the parties cannot agree shall, at the request of either party, be determined by the coast arbitrator, and in all such wage reviews wage levels shall be considered in conjunction with the obligation of the union to provide reasonable compliance with the provisions of this agreement.

In witness whereof, the parties hereto through their representatives duly authorized have executed this agreement on the 20th day of December 1940, in the city and county of San Francisco, State of California.

WATERFRONT EMPLOYERS ASSOCIATION OF THE PACIFIC COAST,
Acting on behalf of:
WATERFRONT EMPLOYERS OF WASHINGTON,
WATERFRONT EMPLOYERS OF PORTLAND,
WATERFRONT EMPLOYERS' ASSOCIATION OF SAN FRANCISCO,
WATERFRONT EMPLOYERS' ASSOCIATION OF SOUTHERN CALIFORNIA,
By ——— ———.

INTERNATIONAL LONGSHOREMEN'S AND WAREHOUSEMEN'S UNION, DISTRICT NO. 1,
By ——— ———.
——— ———.

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Men's Clothing Agreement

Agreement made this — day of ——— 1941, between the New York Clothing Manufacturers' Exchange, Inc., in behalf of itself and each of its members, hereinafter collectively referred to as the exchange (for convenience, the members of the exchange shall hereafter be referred to as the manufacturer), and the Amalgamated Clothing Workers of America and the New York Joint Board of the Amalgamated Clothing Workers of America, collectively referred to as the union.

In consideration of the sum of $1, each to the other in hand paid, receipt whereof is hereby mutually acknowledged, and of the mutual promises hereinafter set forth, the parties agree as follows:

1. *Definitions.*—(*a*) The terms "employee" and "worker" when used in this agreement include all of the employees of the manufacturer, or of contractors employed by the manufacturer, engaged in the cutting, pattern cutting, making, joker sewing in the cutting room, and shipping of clothing, with the exception of executives and administrative, supervisory, and clerical workers.

(*b*) The term "clothing" as used in this agreement includes men's, boys', and children's suits, overcoats, and topcoats, knee pants, single pants, slacks, mackinaws, reversibles, and all other articles of men's wearing apparel manufactured by the manufacturer or for him by contractors.

2. (*a*) *Recognition.*—The manufacturer recognizes the union as the exclusive bargaining representative of his employees.

(*b*) *Union shop.*—The manufacturer shall not employ, directly or indirectly, in any shop now or hereafter owned or controlled by him during the term of this agreement any employees who are not members of the union in good standing.

(*c*) *Contractors.*—The manufacturer who employs contractors shall employ only such contractors as employ only members of the union in good standing, and shall not cause or permit any work to be performed for him, directly or indirectly, by any person, partnership, corporation, or contractor employing workers who are not members of the union in good standing.

(*d*) The manufacturer shall employ in the carting of clothing to and from contractors such truckmen as employ only workers who are members of a union recognized by the union. The manufacturer shall not employ any persons in the carting of clothing to and from contractors except members in good standing of a union recognized by the union.

3. *Furnishing of help.*—The union shall furnish the manufacturer to the best of its ability and within a reasonable time, with such employees as the manufacturer may reasonably require, on the terms and conditions contained in this agreement. If the union is unable to furnish such employees within a reasonable time, then in lieu of the obligation of the union to furnish such employees, the manufacturer shall have the right to obtain union employees in the open market.

4. *Union representatives.*—The manufacturer shall recognize and deal with such representatives of the employees as the union may elect or appoint and shall permit duly accredited representatives of the union to visit his factory at any time during working hours.

5. *Working hours.*—The maximum hours of work of all employees, except shipping clerks, shall be 36 per week, to be worked on 5 days, from Monday to Friday, inclusive, of not more than 8 in any 1 day. The maximum hours of work of shipping clerks shall be 40 per week.

6. *Division of time.*—During any slack season or whenever there is insufficient work, the available work shall be divided substantially equally among all regular employees of the manufacturer and his registered contractors.

7. *Home work.*—None of the manufacturer's work shall be performed in the homes of the employees.

8. *Wage rates.*—The manufacturer shall pay to the employees as wages the rates established by the representatives of the parties hereto, in accordance with the classification of grades and prices.

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9. *Modification of contract.*—(*a*) The standards of wages, hours, and other conditions of employment provided in this agreement shall not be changed during the life of this agreement, except as provided in this paragraph.

(*b*) Each party reserves the right to request modifications in the provisions of this agreement relating to wages, hours, or working conditions by serving written notice of such request on the other party on or before the fifteenth day of April 1942. Upon service of such notice, the parties shall confer upon the proposed modifications and any modifications agreed upon shall become effective June 15, 1942. If no agreement is reached in conference prior to June 15, 1942, either party may then terminate this agreement in good faith as of that date by written notice served upon the other.

(*c*) In the event that any manufacturer resigns from the exchange or that the membership of such manufacturer terminates, such manufacturer or the union may request modifications in the provisions of this agreement relating to wages, hours, or working conditions by serving written notice of such request on the other on or before the fifteenth day of May 1942. Upon service of such notice, the parties shall confer upon the proposed modifications and if no agreement is reached in conference by June 15, either party may submit the questions at issue to arbitration pursuant to the provisions of paragraph 15. All modifications made by agreement or by decision of the arbitrator shall become effective as of June 15, 1942.

(*d*) If at any time during the term of this agreement, by reason of war or preparations for war, inflation, deflation or other causes which substantially affect the clothing industry generally, one of the parties considers it necessary to modify the wage rates established under this agreement, it may request such modification, to take effect with the commencement of the following season, by giving written notice to the other party. Upon service of such notice, the parties shall confer upon the proposed modification. In the event that they fail to agree within 30 days after the initiation of conferences, the question at issue shall be submitted to arbitration pursuant to the provisions of paragraph 15.

10. (*a*) *Union employment insurance.*—The manufacturer shall pay weekly into the New York Clothing Unemployment Fund one-half of 1 percent of the total union labor cost of the clothing manufactured by him or the portion thereof processed by him in his own inside shop or shops.

(*b*) *State and Federal unemployment insurance and social security.*—The manufacturer shall pay weekly into the New York Clothing Unemployment Fund Agency 3.45 percent of the agreed billed price of the clothing manufactured for him in contract shops, together with any assessments for penalties and interest levied by the State or Federal Governments because of delinquency in payment. Such payment shall be for the purpose of complying with the Federal Social Security Act and the State Unemployment Insurance Laws. The amount of 3.45 percent has been fixed in a certain decision dated January 15, 1941, made by the impartial chairman in the men's and boys' clothing industry and covers the Federal and State unemployment insurance and social security taxes for the year 1941. The amount to be paid to the New York Unemployment Fund Agency for the years subsequent to 1941 shall likewise be fixed and determined by the impartial chairman in the men's and boys' clothing industry and may be subject to such modifications as become necessary by reason of any changes in the Federal and State laws governing such taxes. The terms of the collection and distribution of this fund are fixed in said decision of the impartial chairman dated the 15th day of January 1941. Said decision and any modifications thereof shall be binding upon the manufacturer.

11. *Registration of contractors.*—(*a*) Contemporaneously with the execution of this agreement, the manufacturer shall execute a registration statement which is hereby made a part of this agreement and in which the manufacturer, among other things, shall register the names of all contractors to be employed by him. The manufacturer shall reregister all contractors registered by him immediately prior to the execution of this agreement, unless the union consents to a change.

(*b*) The manufacturer shall employ only such contractors as are registered on his registration statement and shall pay the prices and comply with all of the terms and conditions provided in such registration statement. No change shall be made in the contractors registered by the manufacturer, either by the release or addition of contractors, without the mutual written consent of the parties, and if they cannot agree, the question shall be submitted to the impartial chairman pursuant to paragraph 15.

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(c) The manufacturer shall employ only such contractors as he reasonably requires to perform his work. Work in contract shops registered by more than one manufacturer shall be performed in the order of the date of its receipt by the contractor.

(d) The manufacturer shall be responsible for the performance of all of the terms of this agreement, whether the work is performed by him in his own shop or for him in the shop of a contractor.

12. *Pay roll of contractors.*—Whenever the contractor shall fail to pay his employees on the usual weekly pay day (which must be at least once each week), the shop chairman and shop committee shall at once give notice thereof to the union and the exchange and shall at once cause the workers to cease work, unless arrangements are made by the representatives of the exchange and the union with respect to the continuance of the work. The wages due the workers for the week immediately preceding such notice shall be paid to the union by the manufacturer or, if the work has been performed for more than one manufacturer, by each manufacturer, pro rata.

13. *Canvas fronts and shoulder pads.*—All canvas coat fronts and shoulder pads used by the manufacturer shall be made in union shops in the greater city of New York employing members of the union in good standing, and shall bear the union label. The union label on the shoulder pad or canvas front shall be prima facie evidence that the same was made in a union shop.

14. *Children's age law.*—The manufacturer shall not employ any children under the age of 18 years in any of the shops owned by him or in any of the shops in which clothing is manufactured for him.

15. *Impartial machinery.*—(a) Should the parties fail to agree with respect to any complaint, grievance, or dispute, or with respect to any breach of this agreement, then and in that event it shall be determined by the impartial chairman of the New York clothing industry, designated by the exchange and the union, who is hereby designated as the arbitrator for this purpose. The decision or award of the impartial chairman shall be final, conclusive, and binding on all the parties. The parties stipulate that all decisions and awards may be enforced by appropriate judgment thereon in a court of competent jurisdiction.

(b) No employee covered by this agreement shall be discharged without just cause. The union shall present all complaints of alleged discharge without just cause to the manufacturer within 48 hours after the discharge. If the complaint cannot be adjusted by mutual agreement, it shall be submitted to the impartial chairman for determination, pursuant to paragraph A. If the impartial chairman finds that the employee was discharged without just cause, he shall order reinstatement and may require the payment of back pay in such amount as, in his judgment, the circumstances warrant.

16. *Stoppages or lock-outs.*—(a) Stoppages and lock-outs are prohibited. The arbitrator shall have the power to impose appropriate discipline for a violation of this provision. If a stoppage or lock-out occurs, the aggrieved party shall have the right to demand an immediate hearing before the impartial chairman on 4 hours' notice.

(b) Anything contained in paragraph 16 (a) to the contrary notwithstanding—

(1) In the event that a manufacturer violates this agreement by employing union contractors who are not registered by him as required by this agreement, the union shall be free to order a stoppage of such manufacturer's work in the shop of such unregistered contractor.

(2) In the event that the manufacturer violates this agreement by employing a nonunion contractor, the union shall be free to take such action, including stoppages, as it deems appropriate to require the manufacturer to cease employing nonunion contractors.

17. *Examination of books.*—In the event of any controversy the manufacturer's manufacturing books, vouchers, papers, and records shall be available for inspection by duly authorized representatives of the impartial chairman who, in his discretion, may authorize the auditor of the exchange or of the union to make such examination, for the purpose of determining the amount of goods cut or being cut, made or being made, by or for the manufacturer and for the purpose of ascertaining the names and addresses of the persons doing such work, and for the general purpose of determining whether the terms of this agreement are being fully carried out.

18. (a) *Resignation from exchange.*—Notwithstanding the resignation, suspension, or expulsion of any member of the exchange, the obligations of this agreement

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as to such member shall remain in full force and effect, and shall be binding upon such member for the full term of this agreement.

(*b*) *Location of shops.*—No manufacturer during the term of this agreement shall move his shop or factory from its present location to any place beyond which the public carrier fare is more than 5 cents, or establish any new shop in addition to those which he now operates without the mutual consent of the parties.

(*c*) *Obligation of officers, directors, and partners.*—No officer, director, or partner, or one who may hereafter become an officer, director, or partner of the manufacturer during the life of this agreement shall, for the duration of this agreement, become directly or indirectly interested in any clothing establishment or a subsidiary thereof as manufacturing jobber, manufacturing wholesaler, or manufacturing retailer which employs employees other than members of the union in good standing or contractors who employ employees other than members of the union in good standing.

(*d*) *Termination.*—This agreement shall be binding upon the parties hereto and their successors in interest, for the term hereof, and shall continue thereafter from year to year, unless 60 days prior to the expiration of the term of this agreement or any extension thereof, written notice is given by either party to the other of their desire to terminate the agreement at the expiration date.

19. *Military service.*—In the event that an employee enlists or is conscripted into the armed forces of the United States or is called into service as a member of the National Guard or Army or Navy Reserves, he shall, upon his discharge from service, be reinstated to his former position with the company with all rights and privileges enjoyed by him at the time he entered service: *Provided*, That he shall request such reinstatement within 30 days after his discharge from service and that the duties of such person are still being performed in the operation of the manufacturer's business: *And provided further*, That the manufacturer shall have the right to discharge any person whom it hired by reason of the entry into military service of the person so reinstated.

20. In the event that the manufacturer desires to use the union label, he and the union shall execute a license agreement therefor in the standard form prepared by the union for that purpose.

21. *Fixing cost of operations.*—The manufacturer shall have an equal voice with the union in fixing the price of each operation, provided the total labor cost of the garment has been previously agreed upon between the manufacturer and the union. The union shall have the right upon 10 days' notice in writing given to the manufacturer to take up the question of heights affecting the cutters. Such demand shall be promptly taken up by the exchange with the representatives of the union. Such heights as may then be agreed upon shall be binding upon the manufacturer.

22. *Date.*—This agreement shall go into effect beginning June 15, 1941, and shall continue until the 14th day of June 1943.

In witness whereof, the parties hereto have caused this agreement to be executed by their duly authorized agents.

AMALGAMATED CLOTHING WORKERS OF AMERICA,
By ——— ———.
NEW YORK JOINT BOARD, A. C. W. OF A.,
By ——— ———.
NEW YORK CLOTHING MANUFACTURERS' EXCHANGE, INC.,
By ——— ———, *President.*
——— ———, *Treasurer.*
——— ———, *Secretary.*
——— ———, *Acting Chairman, Labor Committee.*

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Newspaper Agreement

This agreement, by and between San Francisco Newspaper Publishers' Association as the representative and authorized agent of [list of newspapers], hereinafter referred to collectively as the publishers and individually as the publisher, and the San Francisco-Oakland Newspaper Guild, a local chartered by the American Newspaper Guild, hereinafter referred to as the guild, for itself and on behalf of all of the employees of the publisher in the editorial and commercial department, including advertising, business office, inside circulation office, and clerical employees (other than employees in the circulation department doing executive supervisory work under the circulation manager), except those employees specifically hereinafter mentioned.

WITNESSETH

In consideration of the mutual covenants herein contained, the parties hereto agree as follows:

SECTION 1. All of the conditions and benefits contained in this agreement shall apply to all employees who now are or hereafter during the life of this agreement may be employed in the aforementioned departments of the aforementioned newspapers, except such employees as are otherwise specifically provided for in this agreement.

SEC. 2. *Guild shop.*—(*a*) Not fewer than 9 out of 10 employees coming under the terms of this contract and hired after the effective date thereof shall apply for membership in the guild. In the event of failure to become a member within 3 months of the start of his employment, the employee shall, upon formal notice from the guild, be discharged. All employees who are now, or who may become, members of the guild shall remain members in good standing during the life of this contract.

(*b*) If any guild member shall lose good standing by falling 2 months in arrears in guild dues, or 1 month in guild assessments, the publisher shall, upon formal notice from the guild, discharge said employee.

(*c*) Any member of the guild who loses good standing for any reason other than nonpayment of financial obligations as outlined in paragraph (*b*) shall, upon expulsion from the guild, be subject to immediate discharge upon formal notice from the guild.

(*d*) The guild agrees that it will admit to membership and retain in membership any employee qualified according to the constitution of the American Newspaper Guild and bylaws of the local guild.

(*e*) The publisher shall furnish to the guild in writing the names of persons hired after the effective date of this contract with the dates thereof, the addresses, and phone numbers.

(*f*) Any employee who is discharged under the provisions of paragraphs (*a*), (*b*), and (*c*) shall receive no dismissal pay.

(*g*) Discharges under this section shall not be subject to review by the joint standing committee.

SEC. 3. *Discharges.*—Discharges may be either (1) for good and sufficient cause, or (2) to reduce the force. The term "reduce the force" as used herein shall be construed as synonymous with discharges for economy. The publisher agrees to give the employee whose discharge is contemplated 2 weeks' notice; said employee then to apply to the grievance committee, if he wishes, so that the committee may consult with the publisher on the case; except that in the event of discharge for gross misconduct said employee may be immediately laid off.

Discharges for reasons other than to reduce the force shall be subject to review by the joint standing committee provided for herein and, in the event that the joint standing committee orders reinstatement, the dismissed employee shall be reinstated to his position with full back pay for the period from date of discharge to date of reinstatement and with service record unimpaired. This

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section shall not be construed in any manner which provides dismissal pay in addition to compensation.

The prerogative of the publisher to discharge to reduce the force shall be maintained. At least 2 weeks in advance of the effective date of such discharges, the publisher will notify the guild so that, if requested by the guild, there may be consultation for the purpose of considering possible means by which the hardship of such discharges may be alleviated. Discharges to reduce the force shall not be subject to review by the joint standing committee.

There shall be no discharges solely because of the signing of this contract or because of modifications in the event of annual reopening.

SEC. 4. *Normal work.*—Discharges to reduce the force shall not result in placing unreasonable duties, constituting in fact a speed-up, upon any of the remaining employees. It is mutually agreed that the publisher is entitled to service for the full unit of hours constituting a day's or night's or week's work as prescribed in the contract.

SEC. 5. *Rehiring list.*—When the publisher makes discharges other than for cause, only guild members shall be placed upon a rehiring list, without priority or seniority. Throughout the life of this contract, no person other than for positions excluded from this contract shall be hired by the publisher except from his rehiring list unless same is exhausted with respect to the general type of work for which an additional employee is desired.

If the publisher needs some person with special qualifications not possessed, in the opinion of the publisher, by any person on the rehiring list, he may go outside the list with notification to the guild. Disputes if any, on this point, to be adjudicated by the joint standing committee.

The publisher shall supply to the guild the names of those persons who are placed upon the rehiring list with the date of their discharge, and the publisher shall notify the guild when persons are hired from such list.

SEC. 6. *No discrimination.*—There shall be no discrimination against any employee because of his membership or activity in the guild.

SEC. 7. *Dismissal pay.*—Upon dismissal an employee making written request within 72 hours shall receive in writing from the publisher or his representatives, a statement of the cause of his discharge.

When an employee is discharged he shall receive a cash dismissal payment in a lump sum in accordance with the following schedule for years of continuous and uninterrupted employment:

If discharged during the first 6 months of employment, no notice or payment other than the wages due at the time of discharge.

	Weeks' pay		*Weeks' pay*
6 months and less than 1 year	2	7 years and less than 7½ years	14
1 year and less than 2 years	3	7½ years and less than 8 years	15
2 years and less than 2½ years	4	8 years and less than 8½ years	16
2½ years and less than 3 years	5	8½ years and less than 9 years	17
3 years and less than 3½ years	6	9 years and less than 9½ years	18
3½ years and less than 4 years	7	9½ years and less than 10 years	19
4 years and less than 4½ years	8	10 years and less than 10½ years	20
4½ years and less than 5 years	9	10½ years and less than 11 years	21
5 years and less than 5½ years	10	11 years and less than 11½ years	22
5½ years and less than 6 years	11	11½ years and less than 12 years	24
6 years and less than 6½ years	12	12 years and less than 12½ years	26
6½ years and less than 7 years	13	12½ years and over	28

From the dismissal pay the publisher may deduct any levy or tax to which the employee is subject under State or Federal employment or social-security legislation.

Dismissal pay shall be computed at the highest weekly salary (exclusive of bonuses and payments for special work) for the 26 weeks previous to discharge, except that for employees employed on a commission basis, dismissal payment shall be computed on the average pay received during the last 6 months prior to discharge. The years of continuous and uninterrupted employment provided herein shall mean the total consecutive and uninterrupted years of service with any Hearst newspaper (or service solely with Scripps-Howard newspaper and San Francisco News), provided dismissal pay has not previously been paid, and provided that breaks in service on the San Francisco Examiner, the San Francisco Call-Bulletin, and the Oakland Post-Enquirer and breaks in service of not more than 6 months with any Hearst newspaper (or service solely with Scripps-Howard

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newspaper and San Francisco News) when occasioned by a discharge for reasons for which the employee was not responsible, shall not be regarded as an interruption in service.

Leaves of absence granted by the publisher, in advance in writing, shall not count as breaks in continuous service although the time spent on such leaves shall not be construed as service time.

In the event of the death of any employee the publisher agrees that the beneficiaries of the deceased, designated by the employee in writing in advance, shall be paid a sum equivalent to that which the deceased would have been paid had he been discharged under the terms of this contract, less any legal costs or expenses caused the publisher in making said payment.

Dismissal pay need not apply to an employee discharged for dishonesty or in the case of self-provoked discharge.

SEC. 8. *Overtime.*—Overtime, as specified elsewhere in this contract, shall be paid for in cash at the rate of time and one-half.

SEC. 9. *Sick leave.*—The past policy of granting sick leave or disability leave with pay shall be continued. For the period the sick or disabled employee is continued on the pay-roll, the publisher may deduct the amount received by an employee under the Workmen's Compensation Act (or benefits of group insurance).

It is a prerogative of the publisher to require at the time of employment a certificate of good health by a doctor or doctors designated by the publisher, and the employees claiming benefits under this section shall, upon request, submit to an examination by such doctor or doctors.

No deductions shall be made for sick leave from overtime credited or to be credited to the employee.

SEC. 10. *Transfers.*—No employee shall be transferred by the publisher to another Hearst enterprise without the employee's consent and payment of transportation expenses. (No employee shall be transferred by the publisher to another associated enterprise without the employee's consent.) This section shall not apply to persons working under personal service contracts with the publisher which provide for such transfer.

SEC. 11. *Adjustment of disputes.*—The following procedure shall be followed in adjusting disputes arising under this contract:

(*a*) *Grievance committee.*—A grievance committee, designated by the guild, shall be established to settle amicably with the publisher or his representative all grievances arising under this contract. In the event of a dispute the grievance committee, or the publisher, shall give notice to the other party in writing that a meeting is desired, said notice stating the nature of the dispute.

In the event of failure to adjust the dispute, it shall be referred to the executive committee of the guild and the publisher or his authorized representative in a further effort to settle the dispute.

If the parties concerned are unable to agree, either party may, upon 24 hours' notice to the other, refer the dispute in writing to the joint standing committee as herein provided.

(*b*) *Joint standing committee.*—The joint standing committee shall meet within 5 days after receipt of such notice given by either party hereto and shall proceed forthwith to settle any dispute raised in the notice.

It shall require the affirmative vote of three members of the joint standing committee to decide the issue. Decisions of the joint standing committee shall be final and binding on the parties hereto and such decisions shall be recorded in writing and signed.

If the joint standing committee cannot reach an agreemet within 5 days (this time may be extended by majority agreement) from the date on which a dispute is first considered by it, the members of the committee shall, upon motion of representatives of either side, constitute themselves a board of arbitration and select a fifth member, from the panel of three arbitrators set up below, who shall act as chairman of said arbitration board. In the event of a deadlock in the selection, the arbitrator shall be chosen by lot.

The board of arbitration thus formed shall proceed with all dispatch to settle the dispute.

It shall require the affirmative vote of a majority of the board to decide the issues and, when signed by such majority, the decision shall be binding on the parties hereto. Any expense incurred jointly through arbitration shall be shared equally by the publisher and the guild.

(*c*) *Joint standing committee—Structure.*—The joint standing committee shall consist of two representatives of the publisher and two representatives of the

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guild appointed by the respective parties as soon as conveniently possible after the execution of this contract. In case of a vacancy on said joint standing committee from any cause, said vacancy shall be filled immediately by the appointment of a new member by the party in whose representation on the joint standing committee the vacancy occurs. Either party may at any time make substitution for either of its appointees to the joint standing committee.

The panel of three arbitrators herein shall be selected by agreement of the parties within 30 days after signing of this contract. If the panel of three has not been complete within the time limit provided, the selection shall upon motion of either party be made by ———.

(*d*) *Joint standing committee—Jurisdiction.*—All disputes between the parties during the life of this contract, not otherwise settled by the parties and not specifically excluded from the jurisdiction of the joint standing committee, shall be adjudicated by the joint standing committee. Renewal of this contract shall not be a dispute under the jurisdiction of the joint standing committee. The term "joint standing committee" as used in other sections of this contract is to be construed as meaning also the arbitration board provided herein.

SEC. 12 (*a*) The following positions shall be exempt from all terms of this agreement:

[List of exempted positions for each newspaper omitted. In general it includes the publishers and managers, together with their confidential secretaries, purchasing agents, managing and associate editors, and cashiers.]

(*b*) The provisions of this agreement shall not apply to free-lance writers, space writers, full-time country correspondents not employed exclusively by the publisher, special sports writers (such as football coaches), and display-advertising commission salesmen employed on special editions, sections, pages, or departments.

SEC. 13. (*a*) Eight hours within 9 consecutive hours shall constitute a day's work and 5 days shall constitute a week's work for all employees except as are otherwise provided for in this agreement.

(*b*) The head of each of the following editorial departments: Sports, financial, society, women's, drama, political, and editorial writers, shall work a 40-hour week so divided as to meet the requirements of their duties.

(*c*) The foregoing exceptions shall not prevent any person covered by section 13 (*b*) from working 40 hours within 5 days if such person can do so within the requirements referred to in section 13 (*b*).

(*d*) The following positions are exempt from the hour provisions of the agreement but are covered by all other terms of the agreement.

[List of exempted persons for each newspaper omitted. In general they include the city editors and top managers.]

(*e*) Not more than 40 hours within 5 days (exclusive of mealtime) shall constitute a week's work for outside classified sales persons: *Provided*, That not to exceed 1 week out of each successive 4 weeks outside classified sales persons may be required to work a 40-hour week within 6 days. The publisher may divide the hours of outside classified sales persons during the week to meet its requirements.

SEC. 14. (*a*) All time worked in excess of the unit of hours constituting a workday or workweek, as defined in this contract, shall be construed as overtime. Overtime shall be worked only when required by the publisher.

(*b*) The present practice of computing and recording overtime shall be continued.

(*c*) If an employee, having been once released from duty, is called back for overtime duty, he shall be paid 1 hour in addition to the actual overtime worked.

SEC. 15. The present practice of granting vacations will be continued; namely 2 weeks' vacation with pay for those who have been continuously employed by the publisher for more than 1 year, and 1 week with pay for those who have been continuously employed by the publisher for more than 6 months and less than 1 year. Leaves of absence and sick leave granted by the publisher shall not count as breaks in continuous service in computing vacation periods, nor shall time on such leaves be considered service time. Any employee discharged or who resigns after 6 months' service shall receive pro rata vacation pay.

SEC. 16. In the commercial departments, time worked on New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, and Christmas Day, shall be considered as overtime, except for certain positions which normally require duties to be performed on such holidays: *Provided*, That employees working such positions shall not be required to work more than 3 of the above mentioned holidays without overtime pay: *Provided further*, That such employees when required to work on any of these 3 holidays be given equivalent time off

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subsequent to the holiday itself in addition to their regular days off. Editorial employees, including main switchboard operators, shall not be required to work more than 3 of the above designated holidays without overtime pay.

SEC. 17. The guild shall have the right to maintain a bulletin board in the aforementioned departments of the aforementioned newspapers, such bulletin board to be used by the guild for the purpose of posting notices and official guild business.

SEC. 18. (*a*) There shall be no reduction in the present rate of pay and/or rate of commission of any present employee during the life of this agreement.

(*b*) With reference to the application of this section to any regular classified salesperson, the following is an agreed interpretation:

(*c*) Where the management changes the rate of commission, it is agreed that those employees shall be guaranteed a sum equal to the average weekly earnings during the previous 6 months;

(*d*) Where the management makes major changes in territory which materially affect the earnings of an employee who normally earns over the minimum, such employees shall be guaranteed a sum equal to the average weekly earnings during the previous 6 months.

SEC. 19. (*a*) Except as modified by the terms of this agreement, management has exclusive authority to select employees from any source.

(*b*) Except as modified by the terms of this agreement, the publisher remains the judge of competency and of the number of employees required.

(*c*) It is agreed that this action is subject to the provisions of section 3 of this agreement.

SEC. 20. Extra and part-time employees shall be compensated for all time worked at the rate of pay provided herein. No part-time employees, other than regular part-time employees, shall receive less than a full day's pay for any work performed. No employee shall perform work without compensation.

SEC. 21. The publisher shall pay all legitimate expenses incurred by an employee in the service of the publisher.

Photographic equipment required by the publisher to be used by photographers shall be supplied and insured by the publisher.

If an employee be required to use his automobile on the business of the publisher, the publisher agrees to pay one-half of the premium of public-liability and property-damage insurance which shall be taken out on such cars. The employee shall pay the remainder of the premium. An employee who is required by the publisher to use his automobile on the business of the publisher must immediately make application for public-liability and property-damage insurance and such insurance shall be carried in a company satisfactory to the publisher and shall not be less than $10,000 and $20,000 coverage.

If an employee uses his own automobile on the business of the publisher (with the publisher's authorization) he shall be compensated at the rate of 7 cents per mile in or out of town. For constant use of his own automobile in town, the employee shall be compensated at the rate of $10 weekly, with the exception of advertising collectors, who shall receive $12.50 weekly. When an employee is authorized to use his automobile out of town he shall be compensated at whichever is highest, to wit, pro rata of the weekly allowance or the mileage rate. When his car is used for overtime work, pro rata of car allowance shall be paid for all such time if employee is on car-allowance basis.

SEC. 22. In the event an employee is elected or appointed to any American Newspaper Guild office, or office of a local of the American Newspaper Guild, such employee shall be given a leave of absence should he request such leave of absence: *Provided*, Such leave of absence shall not cover a period of more than 1 year. This period may be extended by mutual agreement between the employee and the publisher. The foregoing shall apply also to delegates selected to the A. N. G. or C. I. O. conventions, national or district, or to delegates to the Hearst or Scripps-Howard chain council of the American Newspaper Guild.

SEC. 23. It is understood and agreed that the term "experience" refers to previous or present employment whereby the employee shall have been or is obtaining a full-time revenue from working as an employee for a daily newspaper of general circulation or the bureaus of recognized established national or local news or photographic services in the same line of employment for which said employee is hired by the publisher. In the case of artists, experience refers to previous or present employment whereby the employee shall have been or is obtaining a full-time revenue from working as an artist for a daily newspaper of general circulation, or in commercial art in the same character of work for which said employee is hired by the publisher.

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SEC. 24. The publisher or his representative shall designate the days to be worked for each employee. Insofar as practicable the off days shall be consecutive. The publisher agrees that regular days off shall not be changed because of the provisions of section 16.

SEC. 25. Employees shall be free to bargain for salaries or commissions above the minimum.

SEC. 26. Without permission in writing from the publisher, no employee shall use the name of the publisher, or his connection with the publisher, or any featured title or other material of the publisher to exploit in any way his outside endeavor.

SEC. 27. When an employee other than a temporary employee is required to leave his position to serve in the armed forces of the United States or who enlists, for a period of not more than 1 year, he shall be deemed to be an employee on leave of absence and shall be granted the same or similar position immediately upon his return (but not more than 50 days after discharge) with severance pay rating and other rights under this contract unimpaired. In the event such person dies in service, section 7 (death benefits) shall govern. In the event any such person is incapacitated in and at the termination of service he shall be granted his dismissal pay.

To effectuate immediate reinstatement as hereinabove provided for, it is agreed that nothing herein contained shall be construed to contravene section 3 (discharge to reduce the force) and promotions (and any salary increases thereby created) of regular employees occasioned by such leaves shall be considered temporary promotions only, and such employee may be returned to his former status and rate of pay at any time (receiving credit however for time served) : *Provided, however*, That at the time such promotions are made the guild shall be notified in writing of promotions made and person or persons affected.

The foregoing provisions need not apply in the case of a dishonorably discharged person.

An employee hired as a temporary replacement for a person who is required to leave his position to serve in the armed forces of the United States or who enlists for a period of not more than 1 year, shall enjoy all of the benefits and assume all of the obligations of this contract except that this section shall not apply in the event such replacement is drafted or enlists.

SEC. 28. (*a*) The following shall be the classifications and minimum weekly and monthly wage rates:

[Wage lists omitted.]

SEC. 32. When the management sells for profit any product of an editorial employee for publication outside of the paper on which the employee works, a mutually agreeable percentage of the net return for any such sale shall be paid to the employee and such payment shall be in addition to his weekly wage.

SEC. 33. The time spent by editorial employees traveling to and from assignments shall be considered as part of the working day.

SEC. 34. In accordance with past practices a news gatherer will not act as a photographer and a photographer will not act as a news gatherer, nor will members of the editorial department be required to perform duties of employees in other departments or vice versa. It is understood that in no way is this intended to apply to departments within the editorial department. It is further understood that this section does not apply to out-of-town correspondents.

SEC. 35. It is agreed that not less than two-thirds of the employees within the classifications set forth in section 28 (a) and (b) shall receive a wage not less than the minimum provided for employees of more than 5 years' experience.

SEC. 36. No tabulating work shall be done at less than tabulating clerk's pay.

SEC. 37. It is mutually recognized that copy or office boys and hybobenders shall be given consideration when an opportunity for advancement arises.

SEC. 38. Before new employees are hired in the business office departments, the publisher subscribes to the principle that present employees be given preference of consideration for such position.

SEC. 39. Business office and inside circulation employees engaged in more than one classification of work shall insofar as wages are concerned be given that classification which occupies in excess of 50 percent of their time. If employees are engaged in a variety of work involving a number of classifications, their wages shall be that paid for the highest classification.

SEC. 40. The publisher subscribes to the principle that the minimum guarantee in the classified advertising department shall not be used as quotas or for the basis for quotas.

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SEC. 41. Classified supervisors shall receive a weekly minimum guarantee of not less than that received by outside classified sales people.

SEC. 42. In the classified department if a territory is left vacant for any reason, the publisher subscribes to the principle that present employees be given preference of consideration in the filling of such vacancy.

SEC. 43. (*a*) Deductions for errors that arise from original copy, insertion instruction, changes in copy, or new instructions on copy on all regular business handled by classified-department employees shall not exceed the amount of commission on the particular ad: *Provided*, That in event a salesperson is able to secure a rerun, no deduction shall be made: *Provided further*, In the case of errors resulting from the sale of "specials" the full amount of commission paid for sale of such specials may be deducted.

(*b*) No deductions for delinquent accounts where credit has been passed upon by management.

SEC. 44. In the classified advertising department there shall be no part-time workers; and no free-lance salesmen shall be employed except special salesmen who may work on a special page or edition in accordance with past practice, but who shall not solicit the major running accounts.

SEC. 45. In case of promotion or increase in pay to any employee, the publisher may within 3 months return the employee to his former position and/or former rate of pay. After 3 months, said employee shall be considered a regular employee in that classification to which he has been promoted.

SEC. 46. This contract shall continue for 2 years from date of signature and shall inure to the benefit of and be binding upon the successors and assigns of the publisher. Schedules of salary minimums and the workday and workweek may be reopened as of termination of the first year of this contract upon written notice of either party at any time within a 2-month period prior to such date. The respondent party, if it desires to file a counterproposal of the conditions it will seek to establish, shall do so at the earliest practicable date, but in any event not longer than 30 days from receipt of notice by the moving party. In the absence of such statement within the prescribed time limit, the existing contract becomes automatically the proposal of the respondent party.

The negotiations shall be pursued diligently in an effort to reach agreement within 2 months of the original notice of reopening. If such agreement be not reached within such 2 months the joint standing committee shall, upon motion of either party thereafter, proceed to adjudicate the differences in the same manner as provided for the settlement of any other dispute.

The joint standing committee, in such cases, has authority to make its award effective as of the beginning of the second year of the contract or as of the date of its award.

At any time within 60 days immediately prior to the termination of this contract either party may initiate negotiations for a new contract. The terms and conditions of this contract shall remain in effect as long as negotiations continue.

In witness whereof, the said parties, by their representatives duly authorized to act have hereunto set their hands and seals this twenty-seventh day of January 1941.

SAN FRANCISCO NEWSPAPER PUBLISHERS' ASSOCIATION,
By ——— ———, *Manager*.
HEARST PUBLICATIONS, INC.,
For the SAN FRANCISCO EXAMINER,
By ——— ———.
DAILY NEWS COMPANY, LTD.,
Publisher of SAN FRANCISCO NEWS.
By ——— ———.
HEARST PUBLICATIONS, INC.,
For the SAN FRANCISCO CALL-BULLETIN,
By ——— ———.
CHRONICLE PUBLISHING COMPANY,
Publisher of SAN FRANCISCO CHRONICLE,
By ——— ———.
HEARST PUBLICATIONS, INC.,
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By ——— ———.
SAN FRANCISCO-OAKLAND NEWSPAPER GUILD,
By ——— ———, *President*.
——— ———, *Executive Secretary*.

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Railroad Agreement

SCHEDULE OF RATES, RULES, AND REGULATIONS FOR TRAINMEN AND YARDMEN

Seaboard Air Line Railway Company

Effective October 1, 1937, the following rates of pay, superseding rates of pay effective February 1, 1927, and effective February 16, 1927, the following regulations superseding regulations effective April 16, 1924, will govern the employment of trainmen and yardmen and will remain in effect for 1 year from said dates, and thereafter subject to 30 days' notice in writing given by either party of desire to change. The word "trainmen" referred to in these rules, applies to yard foremen or yard conductors, switchmen, brakemen, flagmen, and baggagemen.

PASSENGER SERVICE

ARTICLE 1

Rates of pay

(*a*) Rates for trainmen on trains propelled by steam or other motive power will be as follows:

[Rates omitted.]

Rates specified for "Baggagemen handling express" apply to baggagemen in the employ of railroads who shall be paid exclusively by the railroads.

(*b*) Regularly assigned passenger trainmen who are ready for service the entire month and who do not lay off of their own accords shall receive the monthly guarantee provided for in section (*a*) of this article, exclusive of overtime, except that former higher monthly guarantees shall be preserved.

Extra service may be required sufficient to make up these guarantees, and may be made between regular trips, may be made on lay-off days, or may be made before or after completion of the trip. If extra service is made between trips which go to make up a day's assignment, such extra service will be paid for on the basis of miles or hours, whichever is the greater, with a minimum of 1 hour. Extra service before or after the completion of a day's work will pay not less than the minimum day.

The basis of pay for extra service applies only in making up the guarantee. After guarantees are absorbed, schedule provisions for extra service apply.

When a regularly assigned passenger man lays off of his own accord or is held out of service, the extra man will receive the same compensation the regular man would have received, and the amount paid the extra man, or men, will be deducted from the amount the regular man would have received had he remained in service, the sum of the payments to the man, or men, who may be used on the run equaling the monthly guarantee.

Reduction in crews or increases in mileage in passenger service from assignments in effect January 1, 1919, shall not be made for the purpose of offsetting these increases in wages, but nothing in this order is understood to prevent adjustment of runs in short turnaround and suburban service that are paid under minimum rules for the purpose of avoiding payment of excess mileage or overtime that would accrue under these rules, without reducing the number of crews. Such runs may be rearranged, extended, or have mileage changed by addition of new train service; separate pools, or assignments, may be segregated or divided, provided that crews are not taken off or reduced in number. Added mileage up to mileage equaling the mileage rate divided into the guaranteed daily rate does not change, take from, or add to the minimum day's pay, and this added mileage is not to be construed as "increase in mileage" within the meaning of this article.

For the purpose of avoiding payment of excess overtime on turnaround runs in passenger service when any part or leg thereof is over 80 miles, the railroad will be privileged to rearrange runs, combine pools or sets of runs, and may establish

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interdivisional runs, excepting when this may be prohibited by provisions of existing agreements, such runs to be paid for in accordance with the mileage schedules of this order, but in no case less than the combination of trip rates in effect at the date of this order.

Passenger trainmen in service December 1, 1909, will not be taken off unless service is discontinued or trains consolidated.

Article 2

Basic day

One hundred and fifty miles or less (straightaway or turnaround) shall constitute a day's work. Miles in excess of 150 will be paid for at the mileage rates provided.

A passenger day begins at the time of reporting for duty for the initial trip. Daily rates obtain until the miles made at the mileage rates exceed the daily minimum.

Article 3

Overtime

(*a*) Trainmen on short turnaround passenger runs, no single trip of which exceeds 80 miles, including suburban and branch line service, shall be paid overtime for all time actually on duty, or held for duty, in excess of 8 hours (computed on each run from the time required to report for duty to the end of that run) within 10 consecutive hours; and also for all time in excess of 10 consecutive hours computed continuously from the time first required to report to the final release at the end of the last run. Time shall be counted as continuous service in all cases where the interval of release from duty at any point does not exceed 1 hour. This rule applies regardless of mileage made.

For calculating overtime under this rule the management may designate the initial trip.

Exceptions: All present passenger runs paid under the "eight-within-ten" rule, coming within the following formula, will be paid in accordance therewith, and also, similar future runs coming within the scope of this formula:

"On runs paid on the short turnaround basis, where pay begins at the initial terminal and on which the trainmen are on duty or held for duty less than 5 hours in the first 10-hour period, the company will be required to pay for only 50 percent of overtime accruing after the first 12 hours from beginning of the day."

(*b*) Trainmen on other passenger runs shall be paid overtime on a speed basis of 20 miles per hour computed continuously from the time required to report for duty until released at the end of the last run. Overtime shall be computed on the basis of actual overtime worked or held for duty, except that when the minimum day is paid for the service performed overtime shall not accrue until the expiration of 7 hours and 30 minutes from the time of first reporting for duty.

(*c*) Overtime in all passenger service shall be paid for on the minute basis at a rate per hour of not less than one-eighth of the daily rate herein provided.

FREIGHT SERVICE

Article 4

Rates of pay

[Rates omitted.]

(*b*) Regularly assigned way-freight, wreck, work, and construction trainmen who are ready for service the entire month and who do not lay off of their own accord will be guaranteed not less than 100 miles, or 8 hours, for each calendar working day, exclusive of overtime (this to include legal holidays). If, through act of Providence, it is impossible to perform regular service, guarantee does not apply.

Crews may be also used in any other service to complete guarantee when for any reason regular assignment is discontinued; but such service shall be paid for at schedule rates unless earnings from such rates would be less per day than would have been earned in regular assignment.

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(*c*) *Circus-train service.*—Trainmen handling circus trains will be allowed a minimum of 133 miles at through freight rates for each move, this to include switching and loading and unloading circus; except that when the time consumed making any move exceeds 10 hours and 38 minutes, overtime will be allowed for time used in excess of 10 hours and 38 minutes: *Provided*, That trainmen assigned to circus trains will be allowed not less than 133 miles for each calendar day held for such service. Straightaway runs with circus train from terminal to terminal without stopping to exhibit, will be paid for at through freight rates.

ARTICLE 5

Basic day and overtime

(*a*) In all road service, except passenger service, 100 miles or less, 8 hours or less (straightaway or turnaround) shall constitute a day's work. Miles in excess of 100 will be paid for at the mileage rates provided.

(*b*) A straightaway run is a run from one terminal to another terminal, and not less than 100 miles will be allowed for each such run.

ARTICLE 6

Beginning and ending of day

In all classes of service other than passenger, trainmen's time will commence at the time they are required to report for duty and shall continue until the time they are relieved from duty. All advance-call time rules are superseded and the management may designate the time for reporting for duty.

ARTICLE 7

Overtime

On runs of 100 miles or less, overtime will begin at the expiration of 8 hours; on runs of over 100 miles, overtime will begin when the time on duty exceeds the miles run divided by 12½. Overtime shall be paid for on the minute basis at a rate per hour of three-sixteenths of the daily rate.

ARTICLE 8

Short trips and turnarounds

Trainmen in pool or irregular freight service may be called to make short trips and turnarounds with the understanding that one or more turnaround trips may be started out of the same terminal and paid actual miles, with a minimum of 100 miles for a day: *Provided* (1) That the mileage of all the trips does not exceed 100 miles and (2) that trainmen shall not be required to begin work on a succeeding trip out of the initial terminal after having been on duty 8 consecutive hours, except as a new day, subject to the first-in-first-out rule or practice.

ARTICLE 9

Held-away-from-home terminal

Trainmen in pool freight and in unassigned service held at other than home terminal will be paid continuous time for all time so held after the expiration of 16 hours from the time relieved from previous duty at the regular rate per hour paid them for the last service performed. If held 16 hours after the expiration of the first 24-hour period, they will be paid continuous time for the next succeeding 8 hours or until the end of the 24-hour period and similarly for each 24-hour period thereafter. Should a trainman be called for duty after pay begins, time will be computed continuously: *Provided*, That if overtime accrues on the trip, that portion of the overtime due to starting pay at the expiration of the 16-hour period instead of at the time actually required to report for duty shall be paid at the pro rata rate in order that time and one-half for overtime will not be so applied as to increase the rate paid for time growing out of the held-away-from-home terminal rule.

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For the purpose of applying this rule the railroad will designate a home terminal for each crew in pool freight and in unassigned service.

ARTICLE 10

Two or more classes of road service

Road trainmen performing more than one class of road service in a day or trip will be paid for the entire service at the highest rate applicable to any class of service performed. The overtime basis for the rate paid will apply for the entire trip.

ARTICLE 11

Detouring

When trains of foreign lines are detoured over the Seaboard Air Line, a full train crew will be furnished, when available; if available and not used, a minimum day at the rate applicable to the detoured service will be allowed.

ARTICLE 12

Deadheading

(*a*) Trainmen when deadheading will be paid the same rates as are paid to members of the crew of their class with whom they are deadheading for the actual distance deadheaded, with the exception that trainmen deadheaded under orders on passenger trains when their cabooses are ahead or following them, will be paid through freight rate for the actual distance deadheaded.

Trainmen deadheaded to a point away from their home terminal and not used within 10 hours from time of arrival will be paid a minimum day at the rate applicable to the train on which deadheaded.

(*b*) Crews deadheading on passenger trains with caboose ahead or following will hold their turn where caboose stands.

(*c*) This article does not apply when exercising seniority, or when men are displaced by senior men.

ARTICLE 13

Attending court, investigations, and special services

(*a*) Regular assigned trainmen attending court or being held out of service to attend court in behalf of the company will be paid actual time lost and, in addition, necessary expenses when away from home; when no time is lost a minimum day will be paid according to position and class of service to which assigned.

(*b*) Extra baggagemen, flagmen, and brakemen attending court will be paid a minimum through freight day; extra yardmen will be paid a minimum day.

Trainmen will be furnished transportation to and from court, and will turn in tickets received from the clerk of court to the railway company's representative.

(*c*) Trainmen held out of service and thereby losing a run or day's work attending investigations or performing other service for the company will be paid in accordance with this rule.

ARTICLE 14

Light engines and piloting

When engines are run light over the road a conductor or flagman will be furnished, conditioned upon the company being in position to furnish the men, conductor to be used when available. If conductor is not available, the oldest available qualified trainman will be used and conductor's pay allowed, when used on main line.

ARTICLE 15

Switching

(*a*) Trainmen in main-line freight service will not be required to do switching at initial terminal where switch engines are located, except in case of emergency;

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and when required to do switching at switch-engine points, and such other initial points where special payments have been paid for switching, they will be paid therefor actual minutes at one-eighth of the daily rate, and the time after which road overtime begins extended accordingly.

Time engaged in switching will be continuous from the time the work is begun until it is completed and train is coupled together.

[Examples omitted.]

(*b*) Through freight trainmen will not be required to classify their trains between terminals, but in picking up cars at stations they will place them in proper position in train.

(*c*) Freight trains will be properly classified before leaving terminal, short-haul cars being placed in proper position in train in station order.

ARTICLE 16

Doubling hills or running for fuel and water

Trainmen in passenger service compelled to run for water or fuel or double hills, or cut off to help other trains, when through no fault of the trainmen, will be allowed actual mileage, and arbitrary of 1 hour at the overtime rate for each cut or double.

ARTICLE 17

Learning of road

New trainmen or trainmen transferred from one division to another at their own request will not receive pay for learning the road, but when necessary to transfer trainmen from one division to another to protect the company's interests, they shall receive full pay for time so engaged at same rate as trainmen with whom they learn the road.

ARTICLE 18

Classification of trains, and conversion rule

(*a*) Trainmen engaged in through freight service will be paid through freight rates when run as section of passenger trains; and when run light, will be paid at the rate specified for the service for which the trip is made.

(*b*) *Conversion rule.*—When through freight crews are required to do switching on line of road which is not incident to or a part of their train movement, they will be paid local freight rates. Picking up and setting off cars shall be considered part of their train movement. If in setting out cars, crews are required to place cars at a certain point on a designated track for loading or unloading. local freight rates will be paid. Trainmen setting off and/or picking up at more than two stations other than junction points will be paid local freight rates; except this shall not apply when setting out defective cars.

ARTICLE 19

Train equipment and supplies

(*a*) Water coolers will remain on caboose cars continuously and, where available, ice will be furnished to caboose cars south and west of Hamlet the year around and north of Hamlet May 1 to November 1.

(*b*) Engines regularly assigned to local freights will be equipped with footboards on rear of engines.

ARTICLE 20

Work in connection with engines or trains

(*a*) Work trainmen will not be required to act as foremen or foremen to act as trainmen.

(*b*) Where car inspectors are employed, they will couple and uncouple air and steam hose. This will not relieve trainmen from assisting in this work where necessary.

(*c*) Trainmen will not be required to coal engines with scoops.

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Article 21

Release between terminals

Trainmen in freight or passenger service cannot be released at intermediate points between terminals, and the time so released be deducted, except in cases provided for in this schedule.

Article 22

Terminal delay

(*a*) *Initial and final delay—Passenger service.*—Trainmen when delayed in passenger service within the terminal as much as 1 hour beyond the time set to depart, will be paid a minimum of 1 hour at overtime rates applicable, and actual minutes thereafter. If road overtime is made on the trip, initial delay will be deducted.

When there are no fixed points terminal overtime shall begin at the yard-limit board and continue on until trainmen are relieved of train, or when train is placed on designated track. When road overtime is not made, terminal overtime begins at fixed points.

(*b*) *Final terminal delay—Freight service.*—When there are no fixed points, terminal delay shall begin at the yard-limit board. When road overtime is not made, terminal delay begins at fixed points.

If the train is not on overtime on arrival at the final terminal, but the overtime period commences before final release, special payments accruing at the final terminal up to the period when overtime commences will be on the basis of one-eighth of the daily rate, but the time thereafter shall be paid on the actual minutes basis of three-sixteenths of the daily rate.

Article 23

Rest and hours-of-service law

(*a*) Trainmen will be entitled to 10 hours' rest after coming into terminal from off the road before being again called to the service, provided they register "rest wanted" on arrival at terminal.

(*b*) Employees in train service will not be tied up unless it is apparent the trip cannot be completed within the lawful time, and not then until after the expiration of 14 hours on duty under the Federal law, or within 2 hours of the time limit provided by State laws, if State laws govern.

(*c*) If employees in train service are tied up in a less number of hours than provided for in the preceding paragraph, their time will be computed up to expiration of 14 hours after reporting for duty and they will again be considered as on duty and under pay beginning at the expiration of their rest period computed from the time they were actually relieved.

(*d*) When employees in train service are tied up between terminals, under the law, they shall again be considered on duty and under pay immediately upon the expiration of the minimum legal period of duty applicable to any member of the road crew, provided the longest period of rest required, by any member of the crew, either 8 or 10 hours, shall be the period of rest of the entire crew.

(*e*) Continuous trip will cover the movement straightaway or turnaround from initial point to the destination train is making when required to tie up. If any change is made in the destination after the crew is released for rest, a new trip will commence when the crew resumes duty.

(*f*) Employees in train service tied up under the law will be paid continuous time or mileage at their scheduled rates from initial point to the tie-up point. When they resume duty on a continuous trip they will be paid miles or hours, whichever is greater, not less than a minimum day, from the tie-up point, to the next tie-up point, or to the terminal. It is understood that this article does not permit trainmen to be run through terminals unless such practice is permitted under the schedule.

(*g*) Employees in train service tied up for rest under the law and then towed or deadheaded into terminal, with or without engine or caboose, will be paid therefor, miles or hours, whichever is the greater the same as if they had run the train to such terminal.

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Exception: When a line is obstructed by wreck, wash-outs, or similar emergency, the foregoing regulations governing the method of pay under the hours-of-service law will not apply; crews may be tied up for rest and the time deducted with the understanding that payment will be made for not less than a minimum day up to point tied up, and that the crew shall be considered as again on duty and as commencing a new day upon the expiration of 8 hours from the time relieved at the tie-up point or at the time of again going on duty if required to report earlier.

(*h*) Employees in train service tied up in obedience to the law will not be required to watch or care for engines or perform other duties during the time tied up.

(*i*) This article does not apply to work, wreck, or supply train service.

ARTICLE 24

Calling crews

(*a*) Trainmen will be called 1 hour and 15 minutes before leaving time of the train they are to take out, except at the following points: * * *. The caller will be provided with a book showing the time for which train is called in which trainmen will register their names and time called.

(*b*) When trainmen have been called and report for duty and the train for which they are called is not run for any reason other than their own, they will be paid for all time held on duty at one-eighth of the daily rate according to class of service for which called, but in all such cases they will be paid for at least 3 hours and stand first out.

(*c*) Trainmen run around through no fault of their own, except to protect wreck trains, will be paid for trip lost and stand first out; other crews affected by such run-around shall not be considered.

ARTICLE 25

Assignments and pool service

(*a*) *Assignments.*—Preference in assignments to runs on their respective division will be given to the trainmen who have been longest in passenger, freight, and yard service, respectively, provided they are competent and reliable. No more men will be retained in the service than are necessary to promptly move the traffic of the road.

(*b*) *First-in and first-out.*—Trainmen in through freight service will run first in and first out of terminals, except where assigned to regular runs.

(*c*) *Reduction in force.*—In the event of a reduction in force, trainmen will be suspended or set back beginning at the foot of the list and working up. Trainmen employed as such and suspended will retain their seniority for a period of 6 months. When the service demands the employment of additional men the privilege of reentering the service as trainmen will be given in accordance with their seniority standing before they were suspended. The failure of a suspended man to report on notice of 15 days will forfeit his seniority standing.

(*d*) *Limitation of mileage.*—The number of through freight crews will be reduced when the mileage falls below 3,200 miles in the case of regular trainmen, and 2,600 miles in the case of extra men, in any 30-day period:

ARTICLE 26

Seniority and filling vacancies

(*a*) *Seniority list.*—Seniority list of trainmen will be placed on bulletin boards at terminals and brought up to date each 6 months. General and local chairmen will be furnished with copy thereof.

(*b*) *Limitation of appeal.*—A statute of limitation of 2 years is hereby fixed to take up or appeal a case of seniority. If 2 years have elapsed without any written protest being filed in such case, it cannot be taken up by the trainmen's committee or officials of the company.

Filling new runs and permanent vacancies.—(*c*) When a new run is created or a permanent vacancy occurs, it will be advertised on bulletin boards for a period of 7 days, and at the expiration of that time it will be given the senior

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trainman making application therefor in writing. Where possible, a new run will be bulletined 7 days prior to its establishment.

(*d*) A permanent vacancy will be bulletined within 3 days after occurrence, and assignments, both to new runs and permanent vacancies, will be made within 3 days after close of bids.

(*e*) Trainmen who are away on leave of absence or sickness at the time runs or vacancies are advertised and have no knowledge of such advertisement, will be permitted, if they so desire, to make application for the runs or vacancies advertised, provided they do so within 3 days after returning to work.

(*f*) A trainman failing to make application for a new run or permanent vacancy forfeits his rights thereto, but this does not affect his rights to subsequent runs or vacancies under the provisions of section (*t*) of this article.

Filling temporary vacancies.—(*g*) When filling temporarily assigned freight runs where it is known that the regular trainmen will be absent for a period of 7 days, the oldest trainman in the service who is eligible to the run will be entitled thereto. When filling temporarily an assigned passenger run, the oldest extra passenger trainman will be given the run. Trainmen temporarily catching local freights and work trains will hold same for a 7-day period, except where filling temporarily an assigned passenger run, where it is known that the regular trainman will be absent for a period of 30 days or over, the oldest passenger trainman who desires the same will be given the run.

(*g–1*) Extra crews will be used for bringing in crews tied up under the law, handling wreck trains, handling work trains not known to be on 7 days, and, when it is necessary, to send crews to outlying points to use caboose and engine of regular assigned local crew.

Extra crews will be used for handling supply trains, except pool crews will be used to handle supply trains out of terminals where no extra board is maintained. Extra crews handling supply trains into an "away from home terminal" where pool crews are available will be deadheaded home.

Pool crews will be used for handling circus trains.

It is understood that where extra crew is not available pool crews will be used, and vice versa; also with respect to handling wreck trains, the first available crew will be used.

(*h*) Trainmen laying off of their own accord will be required to report for duty not less than 8 hours prior to the reporting time of their assignment.

(*i*) Except in case of sickness or death, trainmen will not be relieved at any point other than the established home terminal of the run.

Promotion.—(*j*) Trainmen will be in line of promotion dependent upon their qualifications and seniority, the rights of trainmen to attach to the division upon which they are employed, and to commence on the date and hour employed, or examined and promoted; extra trips in emergency made by men who have not been examined will not be considered.

(*k*) In road service all white trainmen will be in line of promotion to the position of conductor, provided they have had 2 years' experience in freight-train service and been in freight service at least 30 days prior to their promotion.

(*l*) In filling new runs and permanent vacancies in main-line flagging positions, the company may require the junior brakeman having 5 months' experience with this company to take such position, provided no older trainman bids thereon.

(*m*) Passenger trainmen will be given sufficient notice to insure their return to freight service for promotion under this rule.

(*n*) This is not to apply to baggagemen who forfeited their rights to promotion, prior to June 26, 1915.

(*o*) This will not, however, operate to prevent the company from employing conductors provided there be no competent white trainmen in the service having 2 years' freight experience.

(*p*) All men entering the service to fill the position of brakeman, flagman, baggageman, and switchman, must be able to read and write, will be subject to and required to pass uniform examinations, and will comply with regulations governing the use of standard watches.

(*q*) Trainmen may be temporarily transferred from the division upon which they are employed when the business of the company demands, without loss of rights.

(*r*) *Appointed to official positions.*—Trainmen appointed to official positions in the company's service and that of the organization will retain their rights.

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(s) *Resigning and reemployed.*—Trainmen who voluntarily leave the service of the company and are afterwards reemployed will rank as new men.

(t) *What constitutes a vacancy.*—A change of timetable does not create a vacancy or change conditions, unless there are 20 miles or more added to or taken from the mileage of the run, or terminals or lay-overs of such runs changed. In this case trainmen will be allowed preference of runs in accordance with their seniority. The senior trainmen on runs of the same class will have preference of Sunday lay-overs where the company's interests are not thereby affected.

ARTICLE 27

Leave of absence

All leaves of absence of 30 days or more will be requested and given in writing, copies to be placed on personal record file.

ARTICLE 28

Exceptions

(a) Excepting payments under rules applying to work performed at initial and final terminals and to final terminal delays all arbitraries and special allowances applying to road service other than passenger under rules, regulations, or practices, which conflict with the payment of single time, in miles or hours, from the time required to report for duty until released from duty at the end of the trip shall be eliminated.

(b) *Branch-line service.*—In branch-line service where differentials now exist in either rates, overtime basis, or other conditions of service, the main-line rates shall be applied for the class of service performed. Miles in excess of the mileage constituting a day will be paid pro rata. If existing rates are higher than the revised main-line rates they shall be preserved; but the excess in the rate over the main-line rate may be applied against overtime. The passenger or freight overtime bases shall be applied according to the rate paid. Other existing conditions of service shall not be affected by the foregoing.

Local freight rates will apply on mixed trains on the following branch lines: [Names omitted.]

Trainmen running on the Bessemer branch will be paid according to the class of service performed, but $6.49 will be retained as a daily minimum guarantee when local freight service is performed, and $6.46 as a daily minimum guarantee when through freight service is performed, but the excess over the mileage rates may be applied against overtime as provided for in paragraph (b). Overtime will be paid at the rate of three-sixteenths of the daily rate. The guarantees referred to in article 4 (b) will be applied to this branch.

The following rules cover the conditions of service on branch lines:

A day's work is understood to be 8 hours continuous service, and will include not only regular service, but also all extra service that may be required during the day, together with the required yard work at intermediate points and terminals. If at work more than 8 hours consecutively, overtime at three-sixteenths of the daily rate will be paid. Actual minutes will be counted.

If a trainman works less than 8 hours in branch-line service and asks for relief of his own accord he will not be entitled to pay. If he works in such service less than 8 hours and is relieved by the company, he will receive pay for not less than a minimum day. When a trainman in branch-line service is relieved before completing a day's work, the trainman who takes his place will receive pay for not less than a minimum day, computed from the time the trainman relieved reported for duty.

ARTICLE 29

Miscellaneous

(a) *Special service.*—When regularly assigned trainmen are taken off their runs to perform temporary service in yards, they will be paid not less than the amount they would have received on their regular runs.

(b) *Free transportation.*—Trainmen on local freights, work and construction trains, when not required to work on Sunday, will be furnished with transportation to and from home.

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(*c*) *Service letter.*—Trainmen leaving the company's service will, upon proper request, be given a service letter which will show the time of employment and cause of leaving, on a standard form.

(*d*) *Turning engines on turntable.*—Main-line trainmen required to turn engines on turntable at initial terminal and final tie-up point or terminal, will be allowed not less than 1 hour at one-eighth of the daily rate. Time engaged in such service not to be included in time of day's work or trip.

(*e*) *Caboose cars.*—Caboose car tracks will be provided at terminals and caboose cars placed thereon as promptly as possible after arrival. Caboose cars will not be switched with at terminals nor will trains be built on caboose cars. Caboose cars assigned to regular crews will not be run with another crew except in cases of emergency, and, if used, assigned crew will be properly notified.

Caboose cars will be inspected and necessary repairs made at the end of each trip.

Caboose cars will be furnished on work trains.

(*f*) *Joint baggagemen and expressmen.*—On runs where the train baggagemen were joint employees of the railroad and the express companies and carried on the rolls of the express companies on December 1, 1909, such practice may be continued on runs where exclusive baggagemen were employed on December 1, 1909. Such exclusive service is not to be changed to a joint service; but on any runs established after that date, such joint service may be established if the joint employee is carried on the rolls of the railroad company and receives not less than the rates fixed for baggagemen.

When it becomes necessary to employ additional joint baggagemen and expressmen carried on the rolls of the railroad, senior qualified trainmen bidding for the positions will be used. This provision in no way to affect the joint men now in service and changes in runs not to entitle trainmen to displace them.

(*g*) *Percentage of Negro trainmen.*—No larger percentage of Negro trainmen or yardmen will be employed on any division, or in any yard, than was employed January 1, 1910. If this percentage is now larger than on January 1, 1910, this agreement does not contemplate the discharge of any Negroes to be replaced by whites, but as vacancies are filled or new men employed whites are to be taken on until the percentage of January 1 is again reached.

Negroes are not to be employed as baggagemen, flagmen, or yard conductors, but in any case in which they are now so employed they are not to be discharged to make places for whites, but when the positions they occupy become vacant, whites shall be employed in their places.

Train porters who do no service as brakemen, baggagemen, or flagmen, do not come within the provision of this article.

(*h*) Employees in a passenger-train crew, except conductor, collector, and baggagemaster, qualified and regularly required to perform the following essential duties, will be designated as passenger brakemen or flagmen and paid accordingly:

1. Inspect cars and test signal and brake apparatus for the safety of train movement.
2. Use hand and lamp signals for the protection and movement of trains.
3. Open and close switches.
4. Couple and uncouple cars and engines and the hose and chain attachments thereof.
5. Compare watches when required by rule.

Where white brakemen are not employed, the compensation and overtime rule for the colored brakemen shall be the same, for both passenger and freight service, as for the same positions on the minimum paid contiguous road.

This order shall not curtail the duties of employees heretofore classed as "train porters."

This order shall not infringe upon the seniority rights of white trainmen.

NOTE.—It is understood that any duties heretofore placed upon Negro employees who have occupied positions coming under paragraph (*h*) of this article, if later filled by white men under one seniority, will be performed by white men.

ARTICLE 30

Time claims

(*a*) When time claimed on time slip is not allowed, trainmen will be promptly notified, and reason given therefor.

(*b*) When shortage in time amounts to as much as $5, a pay certificate will be issued.

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ARTICLE 31

Investigations and discipline

A trainman will not be disciplined or discharged from the service of the company without just cause. He will be given a hearing within 5 days, if practicable, and may hear evidence submitted against him. He will be promptly notified of action taken and should the charge against him, in the judgment of the proper officer of the company, be unfounded, he will be paid full wages for the time lost. He may be represented at the hearing by a trainman in good standing on the division to which he is assigned.

When disciplinary action is not satisfactory, trainmen may exercise the right of appeal, through the proper officer to the general manager. Should a trainman under actual suspension, in emergency, be called to service before the expiration of the suspension period, the unexpired term will be cancelled. Discipline will be uniformly applied without distinction as to color.

ARTICLE 32

Adjustment matters

No grievance will be entertained, unless presented in writing to the superintendent within 45 days after its occurrence. Trainmen shall have the right to appeal, provided such appeal be made in writing within 45 days after the superintendent has rendered his decision.

YARD SERVICE

ARTICLE 33

Rates of pay

[Rates omitted.]

If a yard conductor performs any of the duties or assumes any of the responsibilities of a yardmaster, he will be paid —— cents per day in excess of yard conductor's rate.

ARTICLE 34

Basic day

Eight hours or less shall constitute a day's work.

ARTICLE 35

Overtime

Except when changing off when it is the practice to work alternately days and nights for certain periods, working through two shifts to change off; or where exercising seniority rights from one assignment to another; or when extra men are required by schedule rules to be used (any rules to the contrary to be changed accordingly), all time worked in excess of 8 hours continuous service in a 24-hour period shall be paid for as overtime, on the minute basis, at one and one-half times the hourly rate. This rule applies only to service paid on an hourly or daily basis and not to service paid on mileage or road basis.

ARTICLE 36

Assignments

Yardmen shall be assigned for a fixed period of time which shall be for the same hours daily for all regular members of a crew. So far as it is practicable, assignments shall be restricted to 8 hours' work.

ARTICLE 37

Starting time

(*a*) Regularly assigned yard crews shall each have a fixed starting time and the starting time of a crew will not be changed without at least 48 hours'

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advance notice. Practices on individual roads as to handling of transfer crews are not affected by this section.

(*b*) Where three 8-hour shifts are worked in continuous service, the time for the first shift to begin work will be between 6:30 a. m. and 8 a. m.; the second, 2:30 p. m. and 4 p. m.; and the third, 10:30 p. m. and 12 p. m.

(*c*) Where two shifts are worked in continuous service, the first shift may be started during any one of the periods named in section (*b*).

(*d*) Where two shifts are worked not in continuous service, the time for the first shift to begin work will be between the hours of 6:30 a. m. and 10 a. m., and the second not later than 10:30 p. m.

(*e*) Where an independent assignment is worked regularly the starting time will be during one of the periods provided in section (*b*) or (*d*).

(*f*) At points where only one yard crew is regularly employed, they can be started at any time, subject to section (*a*).

(*g*) Where mutually agreeable, on account of conditions produced by having two standards of time, starting time may be changed 1 hour from periods above provided.

ARTICLE 38

Calculating assignments and meal periods

The time for fixing the beginning of assignments or meal periods is to be calculated from the time fixed for the crew to begin work as a unit without regard to preparatory or individual duties.

ARTICLE 39

Points for beginning and ending day

A designated place for changing crews and place for changing clothes will be provided in all yards.

ARTICLE 40

Lunch time

(*a*) Yard crews will be allowed 20 minutes for lunch between 4½ and 6 hours after starting work without deduction in pay.

(*b*) Yard crews will not be required to work longer than 6 hours without being allowed 20 minutes for lunch, with no deduction in pay or time therefor.

ARTICLE 41

Arbitraries, special allowances, and miscellaneous

(*a*) Where it has been the practice or rule to pay a yard crew, or any member thereof, arbitraries, or special allowances, or to allow another minimum day for extra or additional service performed during the course of or continuous after end of the regularly assigned hours, such practice or rule is hereby eliminated except where such allowances are for individual service not properly within the scope of yard service, or as provided in section (*b*).

(*b*) Where regularly assigned to perform service within switching limits, yardmen shall not be used in road service when road crews are available, except in case of emergency. When yard crews are used in road service under conditions just referred to, they shall be paid miles or hours, whichever is the greater, with a minimum of 1 hour, for the class of service performed, in addition to the regular yard pay and without any deduction therefrom for the time consumed in said service.

(*b–1*) Actual time on the minute basis at overtime rates will be allowed for service performed by a yardman on a succeeding trick when a relief yardman of such succeeding trick fails to report at the fixed starting time. If the regular man reports late and relieves the man working through, the regular man will be paid only for actual time worked on the minute basis.

Miscellaneous

Special service.—(*c*) When regularly assigned yardmen are used on road they will be paid yard rates, on road basis, unless the position to which they are assigned pays more.

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(*d*) Yard pilots at Atlanta and Birmingham will be paid yard foreman's rates and basis.

(*e*) *Equipping yard engines.*—All yard engines shall, except in case of extreme emergency, be equipped with footboards and headlights on each end of engines, and will not be worked more than 6 hours without these changes.

(*f*) *Outside work.*—When yardmen are required to do any work outside their regular assigned duties, they shall be paid not less than their regular rates, unless the position to which they are assigned pays more.

(*g*) *Consist of crew.*—All yard crews shall consist of one conductor and at least two brakemen.

(*h*) *Chaining cars.*—Yardmen will not be required to chain up cars on repair tracks. In yards, outside of repair tracks, where available, car inspectors will assist trainmen in doing their work.

(*i*) *Caboose cars.*—Caboose cars will be furnished to Inman Park transfer crews .

(*j*) *Ice water.*—Ice water will be provided for yardmen north of Hamlet May 1 to November 1, and south and west of Hamlet the year around.

ARTICLE 42

Seniority and filling vacancies.—(*a*) In yard service, promotion will be from switchmen to foremen: *Provided, however,* Yard foremen may exercise seniority and take positions either as foremen or switchmen provided there are available sufficient foremen having at least 1 year's experience as such, to protect all positions as foremen in the yard.

(*b*) Yardmen will, after December 1, 1919, hold seniority only in the yard in which they are employed.

(*c*) When a new yard is created, the positions will be offered to the yardmen in other yards on the division on which it is created and given to the senior men, in accordance with paragraph (*a*), making application in writing.

(*d*) Yardmen may be temporarily transferred to other yards, when the business of the company demands, without loss of rights.

(*e*) This article supersedes the provisions as to yard foremen in the last paragraph of letter dated June 26, 1915, appearing in the back of schedule.

Temporary and permanent vacancies.—(*f*) When filling temporarily an assigned yard position where it is known that the regular yardmen will be absent for a period of 7 days or more, the senior yardman who is entitled to the position, will be given same.

(*g*) A change of one hour or more in the time of any regular assigned yard crew assignment will be considered a change in condition, and such assignment will be advertised on bulletin board for 7 days and the senior yardman making application in writing will be assigned to such position.

Reduction in force.—In the event of a reduction of force, trainmen will be suspended or set back, beginning at the foot of the list and working up, junior men promoted going back through the channel through which they entered the service. Trainmen employed as such and suspended will retain their seniority for a period of 6 months. When the service demands the employment of additional men, the privilege of reentering the service as trainmen will be given in accordance with their seniority standing before they were suspended. The failure of a suspended man to report on notice of 15 days will forfeit his seniority standing.

ARTICLE 43

All rules and regulations in conflict with those herein shown are void.

SEABOARD AIR LINE RAILWAY COMPANY,
——— ———, *General Manager.*

SUPPLEMENTAL AGREEMENT

The following practice will be permitted under article 16 (new 26), sections (*j*) to (*q*) inclusive:

First: Brakemen and flagmen will be in line of promotion to the position of baggagemaster in accordance with the first paragraph of article 16 (new 26), paragraph (*j*).

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Second: All baggagemasters will be in line of promotion to the position of freight conductor in accordance with the first paragraph of article 16 (new 26), paragraph (*j*), providing they have had 2 years' experience in freight service as brakemen or flagmen and been in the freight train service prior to their promotion.

Under article 26 (new 25), the following practice will be permitted:

First: Demoted conductors and flagmen, and brakemen suspended in accordance with the second paragraph of article 26 (new 25), paragraph (*c*), can exercise the right of seniority to take a position of baggagemaster, except, however, baggagemasters who gave up their rights in freight service cannot be displaced by conductors, flagmen, or brakemen, so long as there is available a position as brakeman or flagman.

Second: Conductors or yard foremen will not be permitted to surrender their rights as conductors or yard foremen, nor will they be permitted to bid in, hold, or take positions of brakemen, flagmen, or baggagemaster, so long as there is available a position of conductor or yard foreman to which he is entitled in accordance with the first paragraph of article 16 (new 26), paragraph (*j*).

Jurisdictional Agreement

The following extract from the joint agreement between the Order of Railway Conductors and the Brotherhood of Railroad Trainmen known as the "Cleveland Compact" is assented to by the company:

Road men shall have the right to man work trains that are operated partly within switching or yard limits and partly on the road adjacent to such yard or switching limits, excepting that where two or more crews are employed in work-train service operating partly on the road and partly in a yard within the same seniority district, yard crews will man proportionate shares if possible to arrange for a crew wholly within yard or switching limits.

Yardmen shall operate all work-train service operating exclusively within yard or switching limits.

Road crews shall man all revenue passenger trains, even though such trains are operating partially or entirely within yard limits.

(It is understood that revenue passenger trains are those where fares are collected and/or tickets lifted.)

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Shipbuilding Agreement

This agreement, made and entered into this 1st day of April 1941, by and between ———, hereinafter called employer, and the Metal Trades Department of the American Federation of Labor, the Pacific Coast District Metal Trades Council, the ——— Metal Trades Council, and the international unions signatory hereto, hereinafter collectively called unions,

WITNESSETH

1. *Scope of agreement.*—This agreement shall apply to all work and activities of the employer in connection with the construction of new vessels on the Pacific coast in connection with the national defense program, including new vessels to be constructed for the United States Navy, United States Maritime Commission, and for foreign governments with the approval of the United States Government.

A "new vessel" shall be construed to be any newly constructed floating structure prior to its completion, final acceptance, and employment in the service for which it has been constructed. "Construction of new vessels" (as differentiated from repair) shall include substantial rebuilding of a vessel prior to service in order to adapt it to a use different from that for which it was previously planned, and shall not be deemed as repair work until such vessel has made a passenger or cargo-laden voyage.

2. *Hiring of men.*—Employer agrees to hire all workmen it may require hereunder, in the classifications contained in Schedule A hereto attached, through and from the unions and to continue in its employ in said classifications only workmen who are members in good standing of the respective unions signatory hereto and affiliated with and in good standing in the American Federation of Labor. All workmen employed hereunder shall be required to present a clearance card from the appropriate union before being employed.

The unions agree, on requisition of the employer, to furnish competent workmen in the classifications contained in Schedule A for the prosecution of the work covered by this agreement. The employer may refuse to employ and may discharge any employee for any just and sufficient cause.

Unions agree that new workmen to be furnished to the employer under this agreement shall be willing to, and shall, submit to the making of such records for the purposes of identification as are, or may be, required by the United States Government in connection with the national defense program.

Only citizens of the United States need be employed and the employer shall have the right to require satisfactory evidence of such citizenship.

If, after employer has placed requisitions for workmen with the unions signatory hereto, the unions shall fail to supply competent workmen within 48 hours thereafter, employer shall be free to hire the necessary workmen when and where it chooses without regard to union membership: *Provided, however,* That such workmen, so employed, shall be required to secure a clearance card from the appropriate union before starting work.

In the event such workmen fail to make application to the appropriate union within the period of time prescribed by such union, they shall be replaced by members of appropriate union when they become available.

3. *Foremen and leading men.*—Foremen and leading men in all departments shall be selected as far as practicable from the trades they are supervising and with a view to their mechanical ability and shall be members of their respective American Federation of Labor unions. The compensation of leading men shall be in accordance with established local practices, but in no case less than 15 cents per hour over the wage of the craft they are supervising.

4. *Hours of employment and overtime.*—Forty hours shall constitute a workweek, 8 hours per day, 5 days per week, Monday to Friday, inclusive, between the hours of 8 a. m. and 5 p. m., except that where, as to any locality or as to any plant of any employer, existing traffic conditions render it desirable to

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start the day shift at an earlier hour, such starting time may, with agreement of the employer affected and the local metal-trades council, be made earlier, but in no event earlier than 7 a. m. Overtime at the rate of one and one-half times the established hourly rate shall be paid for all work performed in excess of 8 hours per day and 40 hours per week. Since this agreement is based on the intent of 6-day-per-week operation, all work performed on Saturdays shall be paid for at one and one-half times the established hourly rate. Overtime at double the established rate shall be paid for all work performed on Sundays and holidays. These provisions relative to overtime payment and for Saturday work shall be effective only during the period of the national emergency: *Provided, however,* That this establishment of this emergency rate shall not be used as a subterfuge to defeat the double-time provisions for Saturday work which would be in effect were it not for the national emergency.

The provision for time and one-half for overtime and on Saturdays established for the duration of the national emergency shall automatically terminate whenever the President of the United States shall proclaim that such national emergency no longer exists; thereafter, all overtime shall be computed on a double-time basis.

Holidays shall be as recognized by local metal-trades councils. When a recognized holiday falls on Sunday, the day observed by the council shall be considered as a holiday and paid for as such.

5. *Shift work.*—Shift work will be permitted in all classifications without restriction on the following basis:

(*a*) The regular starting time of the day shift shall be 8 a. m., except that where, as to any locality or as to any plant of any employer, existing traffic conditions render it desirable to start the day shift at any earlier hour, such starting time may, with the agreement of the employer affected and the local metal-trades council, be made earlier, but in no event earlier than 7 a. m.

(*b*) The regularly established starting time of the day shift shall be recognized as the beginning of the 24-hour workday period. When irregular or broken shifts are worked, overtime rates shall apply before the regular starting time and after the regular quitting time of the shift on which the employee is regularly employed.

(*c*) First or regular daylight shift: An 8½-hour period less 30 minutes for meals on the employee's time. Pay for a full shift period shall be a sum equivalent to 8 times the regular hourly rate with no premium.

Second shift: An 8-hour period less 30 minutes for meals on employee's time. Pay for a full second-shift period shall be a sum equivalent to 8 times the regular hourly rate plus 10 percent.

Third shift: A 7½-hour period less 30 minutes for meals on employee's time. Pay for a full third-shift period shall be a sum equivalent to 8 times the regular hourly rate plus 15 percent.

(*d*) For work on any shift less than the full shift period, pay shall be the corresponding proportionate part of the pay for the full shift period, provided such amount be not less than the minimum pay prescribed in paragraph 10 hereof.

6. *Wage scales.*—Employer agrees to pay to its employees and the unions agree that its members employed by employer will accept the wage scales for the various classifications set forth and contained in the schedule of wages in exhibit A attached hereto.[1] *Provided, however,* That nothing contained in this agreement shall operate to reduce the wages of any employee who is now, or who has within 6 months been employed by employer: *Provided, further,* That any employee who is transferred from ship repair work to new ship construction work, as herein defined, shall receive not less than the wages now being paid by employer to other employees in the same classification in new ship construction.

The wage scales herein established shall be considered as minimum scales and shall not prevent the payment of higher wages to premium men.

7. *Vacation with pay.*—Vacations with pay are hereby established for all employees engaged in new ship construction. Where vacations have been established prior to the effective date of this agreement, they shall be continued on the same basis as theretofore established. Where vacations are newly established hereby, they shall commence with the date of this agreement. For 1 year's service with employer, 1 week's vacation per year with full pay (40 hours) shall be granted. Vacation periods are not cumulative.

[1] List of wage scales omitted.

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Twelve hundred working hours in the employ of the employer computed on the basis established above, shall constitute a year's service and qualify the employee for a vacation. The vacation shall be taken at such times as designated by employers or by mutual agreement between employer and employees.

8. *No limits on production.*—There shall be no contract, bonus, piece, or task work, nor shall there be a limit on, or curtailment of, production.

The operation of more than one machine by a single workman at the same time, or the use of any device which may cause a dispute, shall be settled by a conference between employer and local metal-trades council, and if not so settled, shall be submitted to arbitration under the provisions of this agreement. No spray painting shall be performed in confined spaces on any ship except by mutual agreement between the employer and representatives of the painters' union and metal-trades council. These provisions shall not be construed as limitations upon the use of labor-saving machinery, tools, or devices.

9. *Materials.*—While the employer shall endeavor to avoid the use of materials or means of transportation that may cause discord or controversy, the employer shall not be restricted in the selection of the kind or source of the materials, supplies, or equipment furnished for or used in the prosecution of the employer's work, nor in the transportation medium used in moving such materials, supplies, or equipment to or from the site of the work.

10. *Reporting pay and minimum pay.*—Employees who report for work at the time they are instructed by employer or employer's agents to report, and who are not given work at that time, shall be paid 4 hours' pay, except where men are not put to work by reason of bad weather, break-down of machinery, or any other condition beyond the direct control of the employer. Reporting pay on Saturdays, Sundays, or holidays shall be computed on the basis of the prescribed overtime rates.

Employees who start work on any shift shall receive not less than 4 hours' pay for such shift, unless they voluntarily quit or lay off, or are laid off by reason of bad weather, break-down of machinery or any other condition beyond the direct control of the employer.

11. *Safety and sanitation.*—All toilets and washrooms shall be kept in a clean and sanitary condition, properly heated and ventilated, and suitable quarters with heat shall be provided for men to change clothes and eat their lunch. There shall be facilities for drying clothing; and all staging, walks, ladders, gang planks, and safety appliances shall be constructed in a safe and proper manner by competent mechanics. Proper lighting and ventilation shall be provided for all enclosed working spaces. The employer shall furnish suitable guards around welders for the protection of workmen's eyes. In case of spray painting, employer shall provide proper protection against fumes caused by paint spray. Prompt ambulance service and first aid to injured workmen shall be provided on all shifts, and a safety man shall be employed and made responsible for the proper enforcement of safety rules. Suitable lockers, washrooms, and drinking water shall be furnished by the employer. There shall be no doctor's physical examination nor age limit, except as required by law. Unless required by law, no employee shall be compelled to pay hospital or insurance fees in the course of employment or as a condition to secure employment.

12. *Union representatives.*—The business representatives of the various crafts shall have access to the employer's shipyard and shipyard shops by applying for permission through the office, provided they do not interfere or cause workmen to neglect their work.

13. *Pay day.*—Pay day shall be weekly and in no case shall more than 5 days' pay be held back. Any employee who gets laid off or quits of his own volition shall receive all wages due him within 24 hours of the termination of his employment.

14. *Travel pay.*—Where men are sent on jobs away from the yard or other regular place of employment where they are regularly employed, they shall receive first-class board and lodging and traveling time at straight time to and from such job. If employees travel on overtime days, or are required to work overtime, they shall be paid travel pay at the overtime rates specified in this agreement. Not more than 8 hours' pay for travel time in any 1 day of 24 hours, computed from the starting time of employee's regularly assigned shifts, shall be paid. The employer shall provide covered transportation to such employees or pay the regular fares both ways for employees while traveling.

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15. *Welding.*—It is recognized that the autogenous processes of welding and burning are tools of the trades signatory to this agreement, and the rates of pay shall be the same as the trades affected. Welders required to take a test shall be paid for the time consumed in the test, if they pass it successfully.

16. *Apprentice-training program.*—In order that an adequate supply of competent skilled craftsmen shall be available at all times, it is agreed between the parties hereto that an apprentice-training program may be established by the employer, which program shall be mutually acceptable to the parties hereto. Nothing contained herein shall conflict with Federal or State apprenticeship laws.

17. *Strikes and lock-outs barred.*—There shall be no lock-outs on the part of the employer, nor suspension of work on the part of the employees. This agreement is a guaranty that there will be neither strikes nor lock-outs and that all disputes will be settled by arbitration as hereinafter provided.

18. *Grievances and complaints.*—All grievances or complaints not settled by mutual agreement must be reduced to writing and filed with the employer through the union's representative within 15 days, if possible, but in no event later than 30 days after the pay day following the occurrence causing the complaint or grievance. Any grievance or complaint not so filed shall be deemed to have been waived and shall not be entitled to consideration. When grievances cannot be settled with the foreman in charge, they shall be taken up with management by the business representative and shop committee representing the union having the grievance. If they are not adjusted between them, the metal-trades council shall attempt to adjust the matter with management. If this fails, the services of the United States Conciliation Service, Department of Labor, shall be speedily secured. Should no agreement be reached, arbitration shall be resorted to as hereinafter stated.

19. *Arbitration of disputes.*—In the event the parties shall be unable to adjust any grievance or dispute arising under this agreement, such grievance or dispute shall be referred to an arbitration committee consisting of one representative of the employer, one representative of the local metal-trades council, and a third member to be chosen by these two. In the event the two arbiters designated by the parties shall be unable to agree upon the third arbiter within 5 days, the senior district judge of the United States district court of the district in which the plant is located shall be requested to nominate one principal and four alternates, all of whom shall be impartial persons qualified to act as arbiters. Employer and the council shall each have the choice of rejecting the names of two of these five nominees, and the remaining, or fifth one, shall be selected as the third arbiter. In the event the same nominee shall be rejected by both parties, leaving more than one nominee on the list, the one nearest the top of the list, as submitted by the district judge, shall act as the third arbiter. Any expenses of arbitration shall be borne by and divided equally between unions and employer. The decision of a majority of the arbitration committee shall be final and binding upon the parties hereto. Such decision shall be within the scope and terms of this agreement, but shall not change any of its terms or conditions. The arbiters shall in their decision specify whether or not the decision is retroactive and the effective date thereto.

20. *Jurisdiction.*—The unions agree that in the event any jurisdictional dispute shall arise between the various trade-unions with respect to the jurisdiction over the work or any classification of employment, whether or not included in the schedule attached hereto, such dispute shall be settled by the unions in accordance with the practices of the American Federation of Labor, without permitting the same to interfere in any way with the progress and prosecution of the work hereunder. Pending the settlement of such disputes, the work shall continue on the same basis as it was being performed at the time the jurisdictional dispute arose, unless the unions otherwise agree and furnish men to perform the work.

21. *Warranty of authority.*—The officials executing this agreement in behalf of unions hereby warrant and guarantee that they have the authority to act for, bind, and collectively bargain in behalf of the organizations which they represent and the members of such organizations.

22. *Duration of agreement.*—All provisions of this agreement shall continue in force and effect during the period of the national emergency, as proclaimed by the President of the United States, and/or the period of 2 years, whichever is the longer, and shall continue in force and effect thereafter from year to year unless either party shall desire a change and shall give the other party notice in writing of the proposed changes at least 30 days prior to the expiration

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of any year: *Provided, however*, That on demand of labor at the end of the first year's operations under this agreement, and on demand of either party, every 6 months thereafter, the wage scales herein agreed to shall be reviewed by the parties. If the cost of living, as shown in the "Index numbers of cost of goods purchased by wage earners and salaried workers in large cities," published by the United States Bureau of Labor Statistics, United States Department of Labor, shall have changed at the time of the review from the cost of living at the time of the making of this agreement by 5 percent or more, the wage scales shall be correspondingly adjusted.

In the event the necessary data is not obtainable at the date of review, it may be secured at a later date and the wage adjustment shall be made effective retroactively to the date of review.

23. *Saving clause.*—Should any part hereof or any provision herein contained be rendered or declared invalid by reason of any existing or subsequently enacted legislation or by any decree of a court of competent jurisdiction, such invalidation of such part or portion of this agreement shall not invalidate the remaining portions hereof, and they shall remain in full force and effect.

In witness whereof, the parties hereto have executed this agreement the day and year first above written.

REPRESENTING INDUSTRY

Seattle-Tacoma District

[Signatures for 18 companies omitted.]

Portland District

[Signatures for 3 companies omitted.]

San Francisco Bay District

[Signatures for 3 companies omitted.]

REPRESENTING LABOR

THE METAL TRADES DEPARTMENT OF THE AMERICAN FEDERATION OF LABOR AND ITS AFFILIATES,
By ——— ———, *General President.*
THE PACIFIC COAST DISTRICT METAL TRADES COUNCIL,
By ——— ———, *Secretary.*
THE SEATTLE METAL TRADES COUNCIL,
By ——— ———.
THE TACOMA METAL TRADES COUNCIL,
By ——— ———.
PORTLAND METAL TRADES COUNCIL,
By ——— ———.
BAY CITIES METAL TRADES COUNCIL,
By ——— ———.
LOS ANGELES METAL TRADES COUNCIL,
By ——— ———.
INTERNATIONAL BROTHERHOOD OF BLACKSMITHS, DROP FORGERS & HELPERS,
By ——— ———.
INTERNATIONAL BROTHERHOOD OF BOILERMAKERS, IRON SHIPBUILDERS & HELPERS OF AMERICA,
By ——— ———, *International Vice President.*
INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS,
By ——— ———.
INTERNATIONAL UNION OF OPERATING ENGINEERS,
By ——— ———.
INTERNATIONAL HOD CARRIERS', BUILDING & COMMON LABORERS' UNION OF AMERICA,
By ——— ———.
INTERNATIONAL ASSOCIATION OF MACHINISTS,
By ——— ———.

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METAL POLISHERS, BUFFERS, PLATERS & HELPERS INTERNATIONAL UNION,
By ——— ———.

INTERNATIONAL MOLDERS & FOUNDRY WORKERS UNION OF NORTH AMERICA,
By ——— ———, *President.*
——— ———, *Secretary.*

PATTERN MAKERS OF NORTH AMERICA,
By ——— ———.

UNITED ASSOCIATION OF JOURNEYMEN PLUMBERS & STEAMFITTERS OF THE UNITED STATES AND CANADA,
By ——— ———, *International Representative.*

SHEET METAL WORKERS' INTERNATIONAL ASSOCIATION,
By ——— ———.

UNITED BROTHERHOOD OF CARPENTERS & JOINERS OF AMERICA,
By ——— ———.

BROTHERHOOD OF PAINTERS, DECORATORS & PAPER-HANGERS OF AMERICA,
By ——— ———.

SCHEDULE A

[List of wage scales omitted]

SCHEDULE B

In order that the intention of the parties to the foregoing agreement may be more clearly expressed, they have mutually agreed to the following clarifications and interpretations thereof and these shall be considered a part of the agreement:

1. (Referring to paragraph 4 of master agreement.) The time-and-one-half provision for overtime was agreed to by organized labor solely on the basis of 6-day-per-week employment, and it is intended by the parties that unless a full 6-day-per-week operation is established in a bona fide manner, this provision shall not apply to Saturdays.

Normal variations in the size of crews shall not affect this arrangement, but if crews are substantially cut on Saturdays to avoid the payment of overtime, the time-and-one-half provision for Saturday work shall not apply, and work performed on Saturdays by such reduced crews shall be on a double-time basis.

2. (Referring to paragraph 6 of master agreement.) It is intended that any employee now, or within the past 6 months, employed by any firm in any one port on the Pacific coast shall continue to receive not less than the rate he is entitled to receive under existing union agreements while he continues to be employed in the same port.

Each employer in every port on the Pacific coast, where the present basic scales for mechanics are higher than those set up in this agreement, shall, not later than 2 weeks from the date of this agreement, submit to the respective metal-trades councils the names of all employees on its pay roll within 6 months prior to the date of this agreement. The unions shall certify such facts to employer whenever such men are cleared for work.

3. (Referring to paragraph 7 of master agreement.) It is intended by paragraph 7 of the master agreement that in the S. F. Bay area, vacation periods shall be computed on the calendar year basis (January 1 to December 31) and elsewhere on the Pacific coast on the basis of April 1 to March 31. The term "where vacations have been established prior to the effective date of this agreement" means vacations established by union agreements only, and not vacations established by employers on any other basis.

Where the services of an employee are terminated after he has worked 1,200 working hours without a vacation during the vacation period above established, such employee shall receive 40 hours' pay in lieu of vacation. Should such employee be reemployed thereafter, he shall not be entitled to vacation credit during the balance of the vacation period, it being intended that only 1 week's vacation in the 12 months' period shall be granted any one employee.

4. (Referring to paragraph 8 of master agreement.) The phrase "nor shall there be a limit on, or curtailment, of production," shall not be so construed as to permit any contract, bonus, piece, or task work.

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5. (Referring to paragraph 11 of master agreement.) All equipment and processes that emit or create harmful dusts, fumes, vapors, or gases in quantities, that create a harmful exposure to employees exposed thereto and where the prevention, elimination, or control of said hazards by means of general ventilation alone are inadequate to furnish the required protection, shall be connected to an exhaust system for the removal of said hazards as far as practicable at their point of origin.

6. (Referring to paragraph 19 of master agreement.) The decision of the arbitration committee shall be rendered within 30 days after the request is made to the district judge for the nomination of the arbiters.

No attorneys' fees shall be included in the cost of arbitration. No fees shall be paid to the arbiters named by the employers or by the metal-trades council. The maximum fee to be allowed to the third arbiter shall not exceed $50 per day.

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Shipbuilding Stabilization Agreement

SEATTLE, WASH., *April 23, 1941.*

OFFICE OF PRODUCTION MANAGEMENT.
THE HONORABLE, THE SECRETARY OF THE NAVY.
UNITED STATES MARITIME COMMISSION.

Gentlemen:

The conference of the representatives of shipbuilding firms and of organized labor on the Pacific coast which convened at San Francisco, Calif., under the auspices of the Shipbuilding Stabilization Committee of the National Defense Advisory Commission on February 3, 1941, and recessed at that place on April 2, 1941, reconvened at Seattle, Wash., April 21, 1941.

The tentative agreement reached by the conference at the time of recess has heretofore been submitted to the various labor organizations on the Pacific coast. On this date, this agreement was ratified by the conference, and the undersigned, as the chairman of the conference, has been directed to certify the terms of this agreement to you.

The zone standards, as approved by industry and labor on the Pacific coast, and as adopted by this conference, are as follows:

PACIFIC COAST ZONE STANDARDS

1. *Basic wage rate of standard skilled mechanics.*—The basic wage rate of all skilled mechanics on the Pacific coast engaged in the construction of new vessels in the defense program during the period of national emergency as proclaimed by the President of the United States shall be $1.12 per hour: *Provided, however,* That this shall not operate to reduce the wages of any employee who is now, or who has within 6 months been, employed by any Pacific coast shipbuilding firm: *And, provided further,* That any employee who is transferred from ship repair to new ship construction by any Pacific coast employer shall receive not less than the wages now being paid by his employer to other employees in the same classification in new ship construction. The wage scale so established is to be considered as a minimum scale and shall not prevent the payment of higher wages to premium men.

2. *Overtime provision.*—Forty hours shall constitute a workweek, 8 hours per day, 5 days per week, Monday to Friday, inclusive, between the hours of 8 a. m. and 5 p. m., unless local conditions require the establishment of other hours, which may be done by mutual consent of employers and employees. Overtime at the rate of one and one-half times the established hourly rate shall be paid for all work performed in excess of 8 hours per day and 40 hours per week. Since this agreement is based on the intent of 6-day-per-week operation, all work performed on Saturdays shall be paid for at one and one-half times the established hourly rate. Overtime at double the established rate shall be paid for all work performed on Sundays and holidays. These provisions relative to overtime payment and for Saturday work shall be effective only during the period of the national emergency: *Provided, however,* That this establishment of this emergency rate shall not be used as a subterfuge to defeat the double-time provisions for Saturday work which would be in effect were it not for the national emergency.

The provision for time and one-half for overtime and on Saturdays established for the duration of the national emergency shall automatically terminate whenever the President of the United States shall proclaim that such national emergency no longer exists; thereafter, all overtime shall be computed on a double-time basis.

3. *Shift premiums.*—Shift work will be permitted in all classifications without restriction on the following basis:

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(*a*) The regular starting time of the day shift shall be 8 a. m., except that where, as to any locality or as to any plant of any employer, existing traffic conditions render it desirable to start the day shift at an earlier hour, such starting time may, with the agreement of the employer and employees, be made earlier, but in no event earlier than 7 a. m.

(*b*) The regularly established starting time of the day shift shall be recognized as the beginning of the 24-hour workday period.

(*c*) First or regular daylight shift; An 8½-hour period less 30 minutes for meals on the employee's time. Pay for a full shift period shall be a sum equivalent to 8 times the regular hourly rate with no premium.

Second shift: An 8-hour period less 30 minutes for meals on employee's time. Pay for a full second-shift period shall be a sum equivalent to 8 times the regular hourly rate plus 10 percent.

Third shift: A 7½-hour period less 30 minutes for meals on employee's time. Pay for a full third-shift period shall be a sum equivalent to 8 times the regular hourly rate plus 15 percent.

(*d*) For work on any shift less than the full shift period, pay shall be the corresponding proportionate part of the pay for the full shift period, provided such amount be not less than the minimum pay otherwise provided for in the supplementary agreements.

4. *No strike or lock-out clause.*—There shall be no lock-outs on the part of the employer nor suspension of work on the part of the employees. This agreement is a guaranty that there will be neither strikes nor lock-outs and that all disputes will be settled by arbitration as hereinafter provided.

5. *Provision against limitation on production.*—There shall be no limit on, or curtailment of, production.

6. *Grievance machinery and arbitration.*—All grievances or complants shall be promptly settled between representatives of the employer and employees. Where necessary, the services of the United States Conciliation Service, Department of Labor, shall be speedily secured. Should no agreement be reached, the dispute shall be submitted to arbitration. Definite arbitration machinery shall be established by supplemental agreements. The decision of the arbiters shall be within the scope and terms of the agreement, shall not change any of its terms, and shall be final and binding on the parties. The arbiters shall determine whether or not the decision is retroactive and the effective date thereof.

7. *Duration of agreement.*—All provisions of this agreement shall continue in force and effect during the period of the national emergency, as proclaimed by the President of the United States, and/or the period of 2 years, whichever is the longer, and shall continue in force and effect thereafter from year to year unless either party shall desire a change and shall give the other party notice in writing of the proposed changes at least 30 days prior to the expiration of any year: *Provided, however*, That on demand of labor at the end of the first year's operations under this agreement, and on demand of either party, every 6 months thereafter, the wage scales herein agreed to shall be reviewed by the parties. If the cost of living, as shown in the "Index numbers of cost of goods purchased by wage earners and salaried workers in large cities," published by the United States Bureau of Labor Statistics, United States Department of Labor, shall have changed at the time of the review from the cost of living at the time of the making of this agreement by 5 percent or more, the wage scales shall be correspondingly adjusted.

In the event the necessary data is not obtainable at the date of review, it may be secured at a later date and the wage adjustment shall be made effective retroactively to the date of review.

8. *Apprentice-training program.*—In order that an adequate supply of competent skilled craftsmen shall be available at all times, it is agreed between the parties hereto that an apprentice-training program may be established by the employer, which program shall be mutually acceptable to the parties hereto. Nothing contained herein shall conflict with Federal or State apprenticeship laws.

Respectfully submitted.

PACIFIC COAST SHIPBUILDING STABILIZATION CONFERENCE,
By ——— ———, *Chairman.*

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Resolution Adopted at the Conference of Pacific Coast Shipbuilders and Representatives of the Pacific Coast Metal Trades Councils of the American Federation of Labor, the Navy Department, and the Maritime Commission, Under the Auspices of the Office of Production Management, at San Francisco, January 13–14, 1942.

The conference has considered the President's recommendation and unanimously agrees to comply with his request for continuous operation of Pacific coast shipyards during the war period.

In order to carry out the above conference action, it was agreed that the existing Pacific coast zone standards and master agreement shall be modified as follows:

(*a*) Pacific coast shipyards shall be placed on a basis of continuous operation, 24 hours per day and 7 days per week to the end that maximum possible production of ships will result.

(*b*) The regular established workweek shall consist of 6 regularly established shifts for each employee; for the first 5 such shifts worked the employee will be paid at the straight time rate, and on the sixth shift worked the employee will be paid at time-and-one-half rate. No workman shall be required to work a seventh shift during any workweek except in extreme emergencies, and in such cases he shall be paid at the rate of double time.

(*c*) If possible, the day off to which each workman is entitled shall be rotated, so that each man shall have an equal chance over regular periods to be off either on a Saturday or Sunday. However, this policy, as well as the method of accomplishment, shall be left to agreement between management and local metal-trades councils. If necessary, and if agreed to between management and local metal-trades councils, paragraph (*b*) may be modified to accomplish rotation of days off.

(*d*) The calendar days of holidays recognized by the local metal-trades councils of the Pacific coast area shall be compensated for at double-time rates, regardless of which day of the standard operating week such holiday falls upon.

(*e*) Except as stated in paragraphs (*a*), (*b*), (*c*), and (*d*) above, the zone standards and the master agreement shall remain unchanged and in full force and effect.

(*f*) This modification shall remain in effect only until such time as the President of the United States shall proclaim that the United States is no longer at war.

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Steel Agreement

This agreement, dated April 1, 1941 (hereinafter referred to as the 1941 agreement) is between Jones & Laughlin Steel Corporation (hereinafter referred to as the corporation) and the Steel Workers Organizing Committee, or its successor (hereinafter referred to as the union), on behalf of all of the employees of the corporation in its Pittsburgh and Aliquippa works and at the Pittsburgh warehouse.

SECTION 1. It is the intent and purpose of the parties hereto that this agreement will promote and improve industrial and economic relationships between the union and the corporation by setting forth herein the basic agreement covering rates of pay, hours of work, and conditions of employment to be observed between the parties hereto.

The term "employee," as used in this agreement, shall not include foremen or assistant foremen in charge of any classes of labor, watchmen, or salaried employees. A list of the positions excluded by this section will be provided the union at each plant of the corporation within 60 days of the effective date of this agreement. Any dispute in regard to such list may be subject to adjustment in accordance with provisions of section 7.

SEC. 2. *Recognition.*—The corporation recognizes the union as the exclusive collective-bargaining agency for all of its employees. The corporation recognizes and will not interfere with the right of its employees to become members of the union. There shall be no discrimination, interference, restraint, or coercion by the corporation or any of its agents against any members because of membership in the union. The union, its members, and agents agree not to intimidate or coerce employees into membership and also not to solicit membership on corporation time or plant property.

SEC. 3. *Wages.*—Effective April 1, 1941, there shall be an increase in wages of 10 cents an hour on all rates which are at present $5 a day, or a minimum for this classification of $5.80 a day of 8 hours. Such classifications now receiving less than $5 a day or less than 62½ cents per hour, shall be increased 10 cents per hour. There shall be an increase of 10 cents per hour in all other hourly rates, and an equivalent increase in all tonnage and piece-work rates which will result in an increase of 80 cents per day of 8 hours. Rates now in effect and as increased as above provided shall remain in effect for the duration of this agreement, except as changed in accordance with the provisions of section 11 hereof.

SEC. 4. *Hours of work.*—(*a*) This section is intended only to provide a basis for calculating overtime and shall not be construed as a guarantee of hours of work per day or per week.

(*b*) The normal hours of work shall be 8 per day and 40 per week. The daily hours of work shall be consecutive except for such rest periods as may be provided in accordance with practices heretofore prevailing in the plants of the corporation.

(*c*) Hours worked in excess of 8 consecutive working hours or in excess of a total of 40 in a workweek, or days worked in excess of 5 workdays within the workweek shall be paid for at one and one-half times the normal rate of pay. Overtime payment shall be made on the basis of either daily or weekly overtime hours worked, but an employee shall not be paid both daily and weekly overtime for the same overtime hours worked. By mutual agreement between the plant grievance committee and local plant management, employees who fail to complete the average hours worked in the department in which they are employed up to 40 hours in the 5 workdays within the workweek, may be permitted, if work is available in the department in which they are regularly employed, to make up time lost on the sixth or seventh day within the workweek up to a maximum of 40 hours at their regular rates of pay without the payment of overtime: *Provided, however,* That whenever a man works 4 hours or more during any of five turns previous to a sixth or

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seventh turn he shall be paid at the overtime rate for all hours worked on the sixth or seventh day.

(*d*) The normal workday shall be any regularly scheduled consecutive 24-hour period comprising 8 consecutive hours of work and 16 hours of rest subject to provision of subdivision (*b*) dealing with rest periods, and the normal workweek shall be 5 consecutive workdays followed by 2 consecutive rest days within 7 consecutive days. If in management's opinion it is necessary to establish schedules departing from this intent, the grievance committee of the plant and the management of the plant may, at the request of either party, confer to determine whether, based upon the facts of the situation, mutually satisfactory modified schedules can be arranged. Determination of the starting time of the daily and weekly work schedules shall be made by the corporation and such schedules may be changed by the corporation from time to time to suit varying conditions of the business: *Provided, however*, That indiscriminate changes shall not be made in such schedules: *And provided further*, That changes deemed necessary by the corporation shall be made known to the plant representatives of the union as far in advance of such changes as is possible. It is agreed by both parties that diligent effort on the part of management should result in not less than 85 percent of all employees being scheduled on the normal workweek as stated above and management further agrees to furnish the grievance committee in each plant evidence of its performance in this respect from time to time as may be desired by the grievance committee.

(*e*) Employees who are regularly scheduled or who are notified to report and who do report for work shall be paid, in the event no work for which they were scheduled is available, for 2 hours' work at the occupational rate of the occupation at which they were scheduled or for which they were notified to report. At management's discretion the employees scheduled or notified to report may be assigned to other substantially similar work for which they may be qualified in lieu of their being released. If employees refuse such assignment, they shall not receive the 2 hours' reporting pay.

The foregoing payments shall be either at the regular or overtime rates depending upon whichever pertains in accordance with the provisions of this section. In the event the job for which the employees have reported for work or on which they have worked is regularly paid on an incentive basis the regular pay shall be based on average hourly earnings for the turn or pay period or the guaranteed occupational rate, whichever is the greater.

The agreement of March 28, 1939, concerning the displacing of regular employees by foremen or assistant foremen shall be continued during the life of this agreement. (See Exhibit A.)

In the event strikes, stoppages in connection with labor disputes, breakdowns of equipment, or acts of God shall interfere with work being provided the provisions of subsection (*e*) do not apply.

SEC. 5. *Vacations.*—Each employee who, prior to May 1, 1941, and each subsequent calendar year during the continuance of this agreement, has been continuously in the employ of the corporation for 3 or more years shall receive 1 week's vacation with pay, and each employee who has been continuously in the employ of the corporation for 15 or more years shall receive 2 weeks' vacation with pay.

A 1-week vacation shall consist of 7 consecutive days and a 2-week vacation of 14 consecutive days.

Continuous service shall be determined by the employee's first employment in any plant of the corporation and in accordance with the provisions for determination of continuous service as set forth under section 6 hereof.

Vacations will, so far as possible, be granted at times most desired by employees, but the final right to allotment of vacation period is exclusively reserved to the corporation in order to insure the orderly operation of the plants.

Employees granted vacations will be paid on their average rate of earnings for the month of April. If the employee did not work during the month of April, he shall be paid on the basis of his average rate of earnings per hour for the calendar month immediately preceding April in which he had earnings. Employees granted 1 week's vacation shall be paid a minimum of 40 hours and a maximum of 48 hours of wages computed as herein provided.

It is agreed that the intent of this section is to provide vacations to eligible employees who have been consistently employed. Consistent employment shall

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be construed to mean the receipt of earnings in at least 60 percent of the pay periods within the period intervening between May 1 of each calendar year.

Notwithstanding the employee's accumulation of 3 or more years' continuous service and his eligibility therefor for vacation, the above requirement of earnings in at least 60 percent of the pay periods shall be required in addition to such service eligibility.

If, in the opinion of management, this vacation program would interfere with the attainment of maximum production and the expedition of the national defense program, at the option of the corporation any eligible employee may be required to continue work and receive a vacation pay as above provided in lieu of actual vacation from work. However, it is the intent that to the greatest degree possible, in management's judgment, eligible employees shall receive the benefits of vacation from work.

SECTION 6. *Seniority.*—It is understood and agreed that in all cases of:

(1) Promotion—the following factors shall be considered, and where factors (*b*) and (*c*) are relatively equal, length of continuous service shall govern:

(*a*) Continuous service.

(*b*) Ability to perform the work.

(*c*) Physical fitness.

(2) Increase or decrease of forces—the following factors shall be considered, and where factors (*b*), (*c*), or (*d*) are relatively equal, length of continuous service shall govern:

(*a*) Continuous service.

(*b*) Ability to perform the work.

(*c*) Physical fitness.

(*d*) Family status; number of dependents.

Determination of plant units to which above factors shall be applied shall be made as necessity arises by agreement by the plant management and the grievance committee at each plant. (Application of seniority shall be continued as is present practice in the several plants of the corporation.)

It is agreed that the computation of length of continuous service shall be based on the Jones & Laughlin Steel Corporation pension-fund rules for service continuity for all service up to and including April 30, 1941, which service shall be the total accumulated service as of that date and as provided under the pension-fund rules referred to above. Effective May 1, 1941, length of continuous service shall be calculated from that date or from subsequent date of hiring in accordance with the following provisions:

There shall be no deduction for anyt ime lost which does not constitute a break in continuity of service.

Continuous service is broken by (*a*) voluntarily quitting the service, (*b*) absence due to discharge, termination, suspension, or leave of absence, any of which continues for more than 6 months, or (*c*) absence due either to lay-off or to disability or both which continues for more than 2 years: *Provided, however*, That employees injured while on duty shall accumulate credit for continuous service until the termination of the period for which statutory compensation is payable, or (*d*) failure of employees on lay-off due to level of operations to report to employment office within 5 days of written notice. Additional time will be provided for men living outside the district at the time. New employees and those hired after a break in continuity of service will be regarded as probationary employees for the first 6 months of their employment and will receive no continuous-service credit during such period. During this period of probationary employment, probationary employees may be laid off or discharged as exclusively determined by management: *Provided*, That this provision will not be used for purposes of discrimination because of membership in the union. Probationary employees continued in the service of the corporation subsequent to 6 months from date of original hiring shall receive full continuous-service credit from date of original hiring.

SECTION 7. *Adjustment of grievances.*—Should any difference arise between the corporation and the union or any employee of the corporation as to the meaning and application of the provisions of this agreement, or should any local trouble of any kind arise in any plant, there shall be no suspension of work on account of such differences but an earnest effort shall be made to settle such differences immediately in the following manner:

First, between the aggrieved employee and the foreman of the department involved;

Second, between a member or members of the grievance committee, designated by the union and the foreman and superintendent of the department;

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Third, between a member or members of the general grievance committee, designated by the union, and the general superintendent or his designated assistant;

Fourth, between the representatives of the national organization of the union and the representatives of the executives of the corporation; and

Fifth, in the event the dispute shall not have been satisfactorily settled, the matter shall then be appealed to an impartial umpire to be appointed by mutual agreement of the parties hereto. The decision of the umpire shall be final. The expense and salary incident to the services of the umpire shall be paid jointly by the corporation and the union.

The rules governing the machinery for handling grievances shall be those agreed upon under date of August 20, 1937. (See Exhibit C.)

Every effort is to be made to complete cases within 90 days from the date of presentation of written grievance.

Grievances not appealed from the decision rendered in steps one, two, or three within 10 working days from the date of such decision shall be considered settled on the basis of the decision last made and shall not be eligible for further appeal.

Notice of appeal to step four shall be served by either party on the other in writing prior to the expiration of 10 workdays following disposition of the grievance in step three hereof. Such notice shall state subject matter of grievance, identifying number, and statement of objections taken by either party to previous disposition. Either party may request a further statement of facts to be made available not later than 3 days preceding the date set for the step four meeting.

Either party may produce persons who, being familiar with the facts involved, may aid in a solution of the problem.

Awards or settlement of grievances shall, in no case, be made retroactive beyond the date on which the grievance was first answered by the foreman.

The grievance committee for the Pittsburgh works, including Pittsburgh warehouse, and for the Aliquippa works shall consist each of not less than 3 employees of that works, and not more than 12 such employees, designated by the union, who will be afforded such time off, without pay, as may be required—

First, to attend regularly scheduled committee meetings, and

Second, to attend meetings pertaining to discharges, or other matters which cannot reasonably be delayed until the time of the next regular meeting;

Third, any member of the grievance committee shall have the right to visit departments other than his own in his own works at all reasonable times for the purpose of transacting the legitimate business of the grievance committee, after notice to and permission from his department superintendent or his designated representative.

The actual number of members of the grievance committee at each works shall be mutually agreed upon between the general superintendent of the works and the union, and in no case shall there be more than one member in any department.

The union reserves the right to refuse to take a grievance on behalf of any employee who is not a member of the union, in which event such employee shall have to present and take up his grievance directly with the corporation.

It is the purpose of this section to provide procedure for prompt, equitable adjustment of alleged grievances. Failure to file alleged grievance complaints promptly on occurrence of the grievance is construed to be not consistent with the intent of this section or of this agreement.

SEC. 8. *Management.*—The management of the works and the direction of the working forces, including the right to hire, suspend, or discharge for proper cause, or transfer, and the right to relieve employees from duty because of lack of work, or for other legitimate reasons, is vested exclusively in the corporation: *Provided,* That this will not be used for purposes of discrimination against any member of the union.

SEC. 9. *Discharge cases.*—In the exercise of its rights as set forth in section 8, management agrees that no employee shall be peremptorily discharged from and after the date hereof, but that in all instances in which management may conclude that an employee's conduct may justify suspension or discharge, he shall be first suspended. Such suspension shall be for not more than 5 calendar days. During this period of initial suspension the employee may, if he believes that he has been unjustly dealt with, request a hearing and a statement of the offense before his department superintendent, or the representative of the general superintendent of the plant with or without the member or members of the

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grievance committee present as he may choose. At such hearing the facts concerning the case shall be made available to both parties. After such hearing management may conclude whether the suspension shall be converted into discharge or, dependent upon the facts of the case, that such suspension may be extended or revoked. If the suspension is revoked the employee shall be returned to employment and receive full compensation at his regular rate of pay for the time lost, but in the event a disposition shall result in either the affirmation or extension of the suspension or discharge of the employee, the employee may allege a grievance which shall be handled in accordance with the procedure of section 7 (Adjustment of grievances). Final decision on all suspension or discharge cases shall be made by the corporation within 5 days from the date of filing of the grievance, if any. Should it be determined by the corporation or by an umpire in accordance with step five of the grievance procedure that the employee has been discharged or suspended unjustly, the corporation shall reinstate the employee and pay full compensation at the employee's regular rate of pay for the time lost.

SEC. 10. *Safety and health.*—The corporation shall continue to make reasonable provisions for the safety and health of its employees at the plant during the hours of their employment. All reasonable protective devices, wearing apparel, and other equipment necessary to properly protect employees from injury shall be provided by the corporation. Proper heating and ventilating systems shall be installed where needed.

SEC. 11. *Rate establishment and adjustment.*—It is recognized that changing conditions and circumstances may from time to time require adjustment of wage rates or modification of wage-rate plans, because of alleged inequalities, development of new manufacturing processes, changes in the content of jobs, or mechanical improvements brought about by the corporation in the interest of improved methods and product. Under such circumstances the following procedure shall apply:

(1) When a bona fide new job or position is to be established—

(*a*) Management will develop an appropriate rate by the regular procedure in effect in the corporation for its industrial engineering and industrial relations activities, including the employment of job evaluation, and in the case of incentive rates the application of accepted industrial engineering methods.

(*b*) Such procedure having been conformed to, the rate may be established by management to cover the job or position in question. The union grievance committeeman or committeemen representing the employee or employees to be affected shall be informed by management in advance concerning such rates. The rate having been established may subsequently be subject to adjustment as provided in paragraph (*c*) below.

(*c*) If, after a reasonable trial period following the establishment by management of the rate or rates for new jobs or positions, grievances are alleged by either employees or management concerning such rates—which grievances cannot be satisfactorily adjusted by mutual agreement, the question as to the equity of such rates in relation to the plant rate structure and the requirements of the job or position as established by sound industrial engineering procedures may be appealed to an impartial umpire in accordance with the provisions of section 7 (Adjustment of grievances), but no formal grievance may be presented under section 7 until a reasonable period has elapsed since the installation of the rates and the operation of the equipment to which the new rates apply, which period will permit of study and adjustment, if necessary, of the rates to the varying conditions of operation attendant upon the establishment of the new operation to which the new jobs or positions apply. It is recognized that the term "reasonable period" may vary with the type of operation or equipment to which the new rates apply, but shall not, unless by mutual agreement, be construed to apply to a period in excess of 12 months.

(2) Where alleged inequalities in wage rates prevail the matter may be taken up for local works adjustment, and settlement made on a mutually satisfactory basis: *Provided, however,* That grievances arising under this paragraph may not go beyond step four of section 7 hereof.

(3) When changes are made in equipment, method of processing, material processed, or quality or production standards which would result in a substantial change in job duties or requirements; or where over a period of time an accumulation of minor changes of this type have occurred which, in total, have resulted in a substantial change in job duties or requirements, adjustments of hourly, incentive, and tonnage rates may be required. In such cases management may establish the new rates and the union may carry the griev-

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ance through all steps of the contract procedure established for the settlement of grievances for determination as to whether the earnings received by the employee from the new rates have resulted in a lowering of the rates applicable to him under section 3 of this agreement or a failure to provide proper compensation for such increased effort, if any, brought about by the changes in the job duties or requirements.

SEC. 12. *Holidays.*—The following days shall be considered holidays: Independence Day, Labor Day, and Christmas.

On these holidays there shall be no regular production work except in cases of continuous operations. The term "continuous operations" shall be interpreted in accordance with prevailing practices in each plant as decided December 18, 1939. (See Exhibit B.)

Employees not engaged in continuous operations, if required to work on the holidays herein enumerated, shall be paid at the rate of one and one-half times their regular rate of pay for the hours worked.

SEC. 13. *Prior agreements.*—This agreement shall supersede all existing and previous agreements; and all local rules, regulations, and customs heretofore established in conflict with this agreement are hereby abolished. Prior practice and custom not in conflict with this agreement may be continued.

No grievances which arose prior to the date of this 1941 agreement shall be taken up for adjustment except that grievances which as of the date of the agreement have been appealed in writing from a decision in the prior steps of the grievance procedure defined in the prior agreements or are in the process of being adjusted may be considered under the procedures of section 7 of the 1941 agreement and be determined in accordance with the applicable provisions of the 1941 agreement. It is the understanding and agreement of the parties hereto that the agreements referred to herein, whether formal or informal, copies of which are attached hereto, are to be taken and considered as part of this agreement, the same as if written herein.

SEC. 14. *Termination date.*—The terms and conditions of this agreement shall continue in effect until changed or terminated, as follows:

(*a*) Either party may at any time and from time to time give 10 days' written notice to the other party of the time for the commencement of a conference of the parties for the purpose of negotiating the terms and conditions of a change of the 1941 agreement, which conference shall be at the office of the corporation in Pittsburgh, Pa., unless otherwise mutually agreed, and

(*b*) If, because of failure to agree, the 1941 agreement is not changed by a written agreement entered into by the corporation and the union within 20 days from the giving of said notice, then the 1941 agreement and all of the provisions thereof, shall terminate upon the expiration of 20 days from the giving of said notice.

Notice hereunder shall be given by registered mail, be completed by and at the time of mailing, and if by the corporation, be addressed to Steel Workers Organizing Committee, Commonwealth Building, Pittsburgh, Pa., and if by the union, be addressed to the corporation at Jones & Laughlin Building, Pittsburgh, Pa. Either party may, by like written notice, change the address to which registered mail notice to it shall be given.

Signed this 24th day of April 1941.

JONES & LAUGHLIN STEEL CORPORATION,
By ——— ———, *President.*
STEEL WORKERS ORGANIZING COMMITTEE,
By ——— ———, *Chairman.*
——— ———, *Secretary-Treasurer.*
——— ———, *Director, Northeastern Region.*
——— ———, *Subregional Director.*

Also signatures of nine scale committeemen.

Jones & Laughlin Steel Corporation

EXHIBIT A

Contemporary practice in connection with foremen and assistant foremen

1. A foreman or assistant foreman is a supervisor immediately in charge of and directing the working forces. It is his function to tell the worker what to do, how to do it, and to see that the work is properly done. He may or may not work directly with the workers in his charge.

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2. He is responsible for the placing of men, assigning their tasks, selecting proper materials and tools, safe working conditions, planning and efficient execution of work.

3. Any employee who is designated as a temporary or probationary foreman or assistant foreman shall assume the full duties of foreman or assistant foreman for the temporary or probationary period, and shall be placed in the same category as foreman or assistant foreman as defined above.

4. Whenever foremen or assistant foremen are kept on duty for supervision (at foremen's or assistant foremen's rates), the corporation has the right to keep these men gainfully employed and to utilize their time to the best advantage at any needed work in the department for the duration of their turn: *Provided, however,* That a foreman will not displace a regular employee for an entire turn of work.

5. When foremen or assistant foremen are not needed as foremen or assistant foremen at foremen's or assistant foremen's rates, then they will be classified as employees in accordance with the provisions of section 6 of the agreement, and share work accordingly.

MARCH 28, 1939.

EXHIBIT B

Holiday work

At a meeting held on December 18, 1939, between representatives of the S. W. O. C. and representatives of the corporation to discuss the general complaint in connection with Labor Day operations, the following agreement was reached concerning future holiday work:

Continuous operations as referred to in the holiday section of the contract, include the following: Byproduct, blast furnace, open hearth, blooming mill, utility units, strip-mill annealing (Pittsburgh works), tin-plate annealing, and Herman galvanizing (Aliquippa works).

Maintenance and repair work in the continuous departments will be cut to a minimum and only men regularly assigned to these departments will be used for such work.

Service men and stand-by men who are required for the proper maintenance and protection of utility lines and units (such as boiler and powerhouse), substation operators, pump tenders, gas tenders, furnace tenders, and light-up and charging crews will work as necessary.

Maintenance and repairs in noncontinuous departments are not to be scheduled without an agreement between the local management and the general grievance committee of the plant.

It was agreed that the intent and purpose of the holiday section of the contract was to give as many employees as possible a rest period on holidays, and the company agrees to carry out this intent and purpose in good faith.

DECEMBER 18, 1939.

EXHIBIT C

Grievance procedure

The following rules shall govern the handling of grievances at the Jones & Laughlin Steel Corporation works as outlined in section 7 of the agreement between the Jones & Laughlin Steel Corporation and the Steel Workers Organizing Committee, dated May 25, 1937:

1. It is agreed that the Pittsburgh works, including the Pittsburgh warehouse, and the Aliquippa works will be divided into not more than 10 zones each, combining departments geographically and taking into consideration the number of men employed in each zone.

2. There shall be 1 employee designated by the S. W. O. C. as a zone committeeman in each one of the zones making a total of not more than 12 committeemen each at the Pittsburgh works, including the Pittsburgh warehouse, and the Aliquippa works.

3. It is agreed that not more than 2 of the 12 grievance committeemen shall be designated by the Steel Workers Organizing Committee as committeemen at large, hereinafter referred to as the general grievance committee, who shall assist zone committeemen in settling grievances in any or all of the zones

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when the zone committeeman has failed to make a satisfactory disposition of any grievance arising in his respective zone.

4. In the event that a grievance arises in any zone concerning an employee or group of employees and a satisfactory settlement has not been reached with the foreman, it shall then be the privilege of the aggrieved employee or employees to take up the grievance with the zone committeeman or at the lodge.

5. The zone committeeman or the general grievance committee shall prepare a statement of complaint on a S. W. O. C. form, properly filled out, which will then be presented to the department superintendent. Arrangements will be made to discuss the case within 3 (working) days. Subsequent to this discussion the department superintendent will give the general grievance committee a written answer as promptly as possible.

6. Where a grievance has been answered by the superintendent in any department and the answer is not satisfactory to the grievance committee, it may be appealed to the general superintendent of the works or his designated representatives. The general grievance committee and the general superintendent or his designated representatives shall hold joint committee meetings on the first and third Thursdays of each month at 2 p. m. Preceding these meetings the general grievance committee shall present to the general superintendent or his designated representatives, a list of the grievances to be discussed. In cases of discharge or other grievances that cannot be reasonably delayed until the time of the next regular committee meeting, they shall be taken up at a special meeting to be properly arranged in advance with the general superintendent, or his designated representatives, by the general grievance committee after grievances have been passed on to them.

7. In cases where no agreement has been reached by the grievance committee and the works management, they may then be passed on to the national representatives of the organization and the executives of the corporation and completed in accordance with the agreement.

8. When the general grievance committee meets with the general superintendent, or his designated representatives, other committeemen will meet with them only on grievances pertaining to their zone.

9. At all grievance committee meetings with the management, only works employees with grievance committee credentials from the Steel Workers Organizing Committee will be accepted, and at these meetings the management will be represented by not less than two. All meetings regular or special, between the grievance committee, or member or members thereof, various superintendents, or other representatives of the management, shall be arranged in advance, at which time the subject, or subjects, to be discussed will be outlined.

10. In all grievances heard by either the department superintendent, or other representatives of the management, and the grievance committee, or member or members thereof, it shall be admissible for either side to bring in employees of the corporation, who are involved in the grievance. The grievance committeemen, employee, or employees, involved in the grievance, called in by the Steel Workers Organizing Committee will receive no pay from the corporation for the time involved in the hearing of a grievance.

11. The management may refuse to give consideration to any grievance unless it is taken up through this regular procedure. Reasons for failure to give consideration should be clearly stated to the members of the grievance committee.

August 20, 1937.

Note.—This procedure has been slightly modified by mutual consent of corporation and union representatives in order not to conflict with the 1941 agreement.

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Typographical Agreement

Applicable to all commercial offices under the jurisdiction of Chicago Typographical Union No. 16 in Chicago and vicinity

An agreement entered into between the Franklin Association of Chicago and Chicago Typographical Union No. 16, witnesseth, that:

WHEREAS, the parties hereto are desirous of forming an agreement between the said parties for the period beginning March 4, 1940, and continuing thereafter until terminated at the instance of either party, but in no case terminable prior to March 3, 1942, at midnight, it is mutually agreed and covenanted as follows:

1. That both parties hereto, in an effort to effect and maintain harmonious relations in the printing industry of Chicago, agree to settle any and all differences that may arise under this agreement by conciliation and/or mediation, in the manner hereinafter provided.

2. It is agreed that the provisions of the bylaws of Chicago Typographical Union No. 16 in effect on the date of signing this agreement and the general laws of the International Typographical Union in effect on January 1, 1939, are made part of this agreement and subject only to such changes as will not alter or affect wages, hours, or working conditions during the life of this agreement: *Provided*, That any new laws or amendments to the laws above referred to enacted subsequently to January 1, 1939, shall be made effective only by mutual agreement of both parties. And it is further agreed that Chicago Typographical Union No. 16 hereby reserves to its members the right to refuse to execute all work received from or destined for struck offices, unfair employers or publications.

3. In order to fulfill and carry out the terms of this agreement, it is agreed that there shall be created an industrial commission, the duties of which shall be to consider and dispose of all matters properly before it as hereinafter provided, during the tenure of this agreement.

4. The industrial commission shall consist of 10 members, as follows: 5 members from the Franklin Association of Chicago and 5 members from Chicago Typographical Union No. 16. These members shall be chosen in a manner to be determined by the respective parties in accordance with their constitution and bylaws, and when thus chosen shall have full and complete power under this agreement.

5. The industrial commission shall meet at least once each month and oftener if necessary, as nearly on the first thereof as possible, and shall consider and dispose of such business as may be brought before it for disposition at the earliest possible moment. Such meetings shall be held at least twice each week until all business before it is satisfactorily disposed of.

6. The industrial commission may institute investigations of conditions in the printing industry by mutual agreement and may make recommendations to the respective parent bodies for the correction of evils deemed injurious to such industry, and may suggest changes or alterations or innovations in its discretion: *Provided*, That no such changes, alterations, or innovations shall in any wise impair the obligations of this agreement as to wages, hours, or working conditions, except by mutual consent of the parties to this agreement.

7. This agreement being between Chicago Typographical Union No. 16 and the Franklin Association of Chicago, and underwritten by the International Typographical Union, it is understood and agreed that all questions in controversy primarily concern the two contracting parties alone, and are not to be taken up against any individual members of either one of them.

8. If any controversy arises as to interpretation or enforcement of this agreement or scale of prices attached hereto, the conditions prevailing prior to the dispute shall be maintained, until the controversy has been disposed of as provided herein.

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9. When it becomes evident that there is disagreement as to interpretation or enforcement of the terms of the agreement, the president of the aggrieved party shall address the president of the other party in writing clearly setting forth the matters in question. An issue is then raised.

10. The two presidents, or their authorized representatives, shall meet within 3 days from the receipt of the letter referred to in paragraph 9, and shall reach an agreement within 6 days thereafter. If they shall agree, their decision shall be final and binding.

11. If they shall fail to agree within 6 days they shall immediately refer the matter to the industrial commission for adjustment. Should the industrial commission fail to reach an adjustment within 6 days, it shall select a mediator, who shall act as chairman of the industrial commission to settle the controversy, such controversy to be settled within 30 days from the expiration of the 6-day period last above mentioned and such settlement shall be final and binding.

12. Six months prior to the expiration of this agreement, the industrial commission shall begin an investigation with the object in view of negotiating the terms of an agreement for the period immediately following the expiration date of this agreement. These meetings of the commission shall be held at least once each week, unless it is impossible to hold any such meeting, or until an agreement has been reached which shall be effective at the time of the expiration of this agreement.

13. In the event that no understanding or agreement shall have been reached by the industrial commission 30 days prior to the expiration of this agreement, a mediator shall be selected by the industrial commission in a manner and with powers mutually agreed upon. This augmented commission shall continue to meet in the manner prescribed in paragraph 12.

14. In the further event that no understanding or agreement shall have been reached by the parties hereto prior to the expiration of this agreement, the differences may be referred to an arbitration board to be constituted in a manner mutually agreed upon. However, should the parties hereto mutually agree so to do they may continue the negotiations under the terms of this agreement, or they may continue the terms of this agreement for such further period as they may mutually deem advisable.

SECTION 1. None but members of Chicago Typographical Union No. 16, possessing a current working card, shall be permitted to perform the work of a journeyman or foreman in any department of a composing room or any office under the jurisdiction of said union.

SEC. 2. The wage rate, the unit of hours for regular shifts, and the workweek for the members employed under this contract shall be as follows:

From March 4, 1941, to and including March 3, 1942:

Day work—$1.425 per hour; $11.40 per day of 8 hours; $57 for a workweek of 5 days.

Night work—$1.525 per hour; $12.20 per night of 8 hours; $61 for a workweek of 5 nights.

Third shift—$1.743 per hour; $12.20 per shift of 7 hours; $61 for a workweek of 5 third shifts.

HOURS

Day work.—Five days of 8 consecutive hours each (exclusive of time for lunch) shall constitute a workweek, the hours for day work to be between 8 a. m. and 5:30 p. m. The foreman shall designate a regular day off in addition to Sunday for each situation holder. The foreman shall make all possible effort to arrange the force to provide that day situations shall be composed of 5 consecutive days. When a plant operates 6 days on the 5-day workweek basis, such operation shall not deprive regular employees of highest priority standing from working 5 days, nor shall priority employees be laid off one shift while employees of less priority work on another shift.

Night work.—Five nights, Monday to Friday, inclusive, of 8 consecutive hours each (exclusive of time for lunch) shall constitute a workweek. Night shift shall start at or after 5 p. m. and at or before 8 p. m.

Third shift.—Five nights, Monday to Friday, inclusive, of 7 hours each (exclusive of time for lunch) shall constitute a workweek. Any shift which starts after 8 p. m. shall be considered a third shift.

SEC. 3. All time worked in excess of the hours specified for a regular shift shall be overtime, such overtime to be reckoned at one and one-half times the regular

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rate up to 3 hours, after which double time shall be paid. Double time shall be paid for all work after 5 p. m. on Saturday shifts. In all cases where a member is required to work over 8 hours on any of the days specified in section 10 of this scale of prices, they shall be paid triple single time for work performed on that day, for such excess over 8 hours.

SEC. 4. All work done prior to the regular starting time, during the noon intermission, or during any time usually set apart for lunch shall be overtime and shall be paid for at one and one-half times the regular hourly rate.

SEC. 5. Upon application to the employer, the chairman of the chapel shall be furnished with correct information regarding the earnings of any member or members of the chapel.

SEC. 6. Sanitary conditions in composing rooms shall be maintained in accordance with State laws.

SEC. 7 Members shall not be permitted to start a shift until at least 9 hours have elapsed from the quitting time of their previous shift, exclusive of overtime.

SEC. 8. Where an office employs both day and night shifts they shall, for all purposes, be construed as one chapel.

SEC. 9. In all cases where a member is required to work overtime, such overtime shall be based upon the hourly wage of the member.

SEC. 10. All work done on Sunday, Thanksgiving Day, Christmas Day, New Year's Day, Memorial (or Decoration) Day, Fourth of July, Labor's National Holiday, or days celebrated as such, shall be paid for at double the regular rate, but no member working on these days shall receive less than 4 hours' pay at double the regular rate. Nothing contained in this section shall be construed as applying to regular night shifts the time of which may overlap into any holiday.

SEC. 11. All members employed after the regular starting time, day or night, shall be entitled to a full day's compensation for work performed from time of employment to regular quitting time: *Provided*, That if such members are given employment on the succeeding day or days they shall be paid for the first day at the regular rate for the number of hours worked; *Provided further*, That in the event of a decrease in the force, notice of such decrease must be given by quitting time on the preceding shift. This shall not apply to night forces where every effort has been made to notify the members affected. The union agrees that situation holders shall not leave the services of the employer unless a day's or night's notice has been given to the foreman of the department.

SEC. 12. When members are called back after leaving the building to work at hours other than their regular working period, they shall receive $1 in addition to regular overtime for actual time worked.

SEC. 13. In all cases where members are laid off before the regular pay day they shall be entitled to and shall immediately receive whatever sum may be due them.

SEC. 14. Any member laid off before the end of the working day shall be paid for the full day.

SEC. 15. A day split between several departments shall be paid for at the scale of the highest-paid department.

SEC. 16. No member shall be allowed to act as foreman in any job or book office for a lesser sum than $3 per week above journeyman's wages.

SEC. 17. All wages shall be paid weekly in United States currency, and in no case shall wages in excess of 2 days be held back. When the regular pay day falls on a holiday, the day preceding such holiday shall be pay day, provided that the week being paid for may be shortened accordingly.

SEC. 18. All employees must be paid within 30 minutes after quitting time on pay day.

SEC. 19. All night workers shall be paid on Friday night whenever Friday or Saturday is the regular pay day.

SEC. 20. All type set or composed, or authors' alterations made, must have a first reading by a member of Chicago Typographical Union No. 16 before proofs with corrections marked thereon emanating from outside the composing room may be corrected. This shall not apply to foreign languages where a member of the union competent to read it cannot be obtained.

SEC. 21. Members shall be employed, laid off, and discharged by the foreman in charge and shall receive instructions by or through him.

SEC. 22. Foremen of printing offices have the right to employ help, and may discharge (1) for incompetency, (2) for neglect of duty (which shall include insubordination), (3) for violation of office rules which have been approved by local union officials (which shall be conspicuously posted), and (4) to decrease the

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force, such decrease to be accomplished by discharging first the person or persons last employed, either as regular employees or as extra employees, as the exigencies of the matter may require. Should there be an increase in the force, the persons displaced through such cause shall be reinstated in reverse order in which they were discharged before other help may be employed. Upon demand, the foreman shall give the reason for discharge in writing. Persons considered capable as substitutes by foremen shall be deemed competent to fill regular situations, and the substitute oldest in continuous service shall have prior right in the filling of the first vacancy. This section shall apply to incoming as well as outgoing foremen.

SEC. 23. The union agrees that it will not permit any plant under its jurisdiction to operate at any different wages, hours, working conditions, shop practices, or in any manner whatsoever different from the wages, hours, working conditions, and shop practices specified and agreed to herein.

SEC. 24. The union realizes the confidences often necessary between the management of a firm and its employees, and agrees to hold any and all private matters acquired by its members in their employment as confidential.

LINOTYPE AND MONOTYPE SCALE

SEC. 25. To be deemed a competent operator an average of not less than 3,500 ems solid an hour on type larger than 7 point, or 4,000 ems solid an hour on 7 point and smaller type, must be produced for a regular workweek, due allowance being made for loss of time from causes not the fault of the operator. Operators shall have the right to see and measure strings and dupes on demand.

SEC. 26. In all offices other than those concerns which are a party to the Daily Newspaper Contract, the scale of wages for linotype, intertype, and monotype operators and machinists shall be $1.40 per week above the day, night, and third shift scales provided for other journeymen.

SEC. 27. The machinist shall not have any control of the operators, except where the machinist is a printer or an operator, or both, when he may act as foreman. In no case shall a machinist be permitted to operate more than one standard linotype for the purpose of casting rule, making metal furniture, slugs, borders, or dashes.

SEC. 28. A linotype machinist must be employed on each shift where five or more operators are employed.

SEC. 29. The working time for machinists shall be the same as that set forth in section 2 above. All time worked in excess of such hours shall be overtime.

SEC. 30. Linotype operators shall be supplied with a complement of 22 matrices and 30 spacebands. Monotype keyboard operators shall be supplied with a full complement of scale drums and paper reels. It shall be considered the duty of the monotype operator to clean and oil his keyboard.

SEC. 31. It shall not be considered the duty of the operator to wash or stack matrices; all cleaning of matrices to be done by the office.

SEC. 32. No matter shall be measured less than 20 ems wide of the type used.

SEC. 33. One monotype caster machinist may be required to run two casters; *Provided, however,* That he may be required to run two additional casting machines with the help of an assistant, as provided in apprentice provisions. The ratio of assistants permitted in the casting room shall be one for each four casters or major fraction thereof.

SEC. 34. Learners on the linotype and monotype machines shall be paid 75 percent of the scale for a period of 3 months, and should they not be competent to produce the average provided for in section 25, they shall be paid at the above rate for a further period of 3 months, and then, if competent, they shall be paid the full scale. Not more than one learner may be employed on any one shift at any one time. During the period of a learner's apprenticeship on the machine his working time shall be governed by section 2 and overtime shall be paid for at regular overtime rate. No one not a member in good standing for a period of at least 1 year in Chicago Typographical Union No. 16 shall be permitted to work under the provisions of this section; *Provided,* That any graduated apprentice of Chicago Typographical Union No. 16 may, at any time, avail himself of this section.

SEC. 35. Keyboard operators for any and all tape-cutting, typesetting, typecasting, and similar machines not otherwise specifically provided for herein shall receive not less than the wage rates provided in section 26.

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LUDLOW MACHINE SCALE

SEC. 36. The scale for a member required to operate Ludlow machines shall be not less than the scale provided for in section 2. Where a member is in charge of a Ludlow machine he shall receive not less than the wage rates provided in section 26.

APPRENTICES

SEC. 37. All apprentices and conditions affecting apprentices under the terms of this agreement shall be under the jurisdiction of a joint apprenticeship committee, which shall have entire control of and be responsible for the selection of apprentices and shall be vested with full power and authority to enforce all conditions outlined in this agreement. This committee shall be composed of two representatives of the Franklin Association of Chicago and two representatives of Chicago Typographical Union No. 16. The committee shall meet at the call of the chairman at such time and place as may be determined by him.

SEC. 38. No apprentice may be put to work in any composing room unless he has been examined and approved by the joint apprenticeship committee.

SEC. 39. All apprentices shall be registered with the organizer of the union as secretary of the joint apprenticeship committee.

SEC. 40. In the event of the inability of the joint apprenticeship committee to reach a decision on matters pertaining to apprenticeship or apprentices, or in case of an appeal from a decision of the joint apprenticeship committee, such subject shall be adjusted in accordance with the procedure provided in this agreement.

SEC. 41. Candidates for apprenticeship must possess the following qualifications:

(*a*) Must be a graduate of a standard high school: *Provided*, Where the joint apprenticeship committee finds that a boy is otherwise exceptionally well qualified, this provision may be waived by unanimous vote of the joint committee; (*b*) in good health and sound physically; (*c*) must have been examined and approved by the joint apprenticeship committee.

SEC. 42. Upon acceptance by the joint apprenticeship committee the apprentice shall be registered and shall receive an apprentice card.

SEC. 43. No employer shall be entitled to an apprentice unless he has a plant and equipment sufficient to enable an apprentice to become a finished compositor at the completion of his term of apprenticeship. The joint apprenticeship committee shall be the judge of an employer's ability to properly qualify for the employment of an apprentice.

SEC. 44. The following shall be the apportionment of apprentices: One apprentice for each 10 journeymen or major fraction thereof, but not more than 5 apprentices shall be permitted in any office; *Provided, however*, That an office employing not less than 4 journeymen shall be entitled to 1 apprentice. The average number of journeymen (except monotype machinists) employed during the preceding year shall be the basis for determining the number of apprentices.

SEC. 45. No apprentice shall be allowed on third shifts.

SEC. 46. The term of apprenticeship shall be 6 years. The first year shall be considered one of probation. During this probationary period either the union or the employer may object to the further employment of any apprentice. In the event of such protest the matter shall be referred to the joint apprenticeship committee for adjustment.

If at any time during the term of apprenticeship any apprentice shall not have shown suitable proficiency, his case shall be referred to the joint apprenticeship committee for careful examination and adjustment.

SEC. 47. Office boys (not apprentices) may carry proofs and copy; sort and put away leads, furniture, cuts, and plates; and prove type on galleys; but do nothing else pertaining to composing-room work.

SEC. 48. The foreman, employer, and superintendent jointly are required to test the ability of the apprentice during the first year of his service, to determine his fitness for the trade. At the end of the first year the apprentice shall receive a written statement of his qualifications, copy of which shall be submitted to the joint apprenticeship committee. If in the judgment of the joint apprenticeship committee he is proven incapable he shall then be refused further work at the trade.

In the first year the apprentice may be assigned by the foreman to general work in the composing room which he may be deemed capable of doing.

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In the second year an apprentice shall be employed at least 75 percent of his time on hand composition and distribution. He shall be given opportunity to set reprint ads and job work.

During the second year apprentices may be placed in the proofroom as copyholders (if copyholders are employed in such office) for a period of 6 months.

In the third year an apprentice shall be employed at least 75 percent of his time on the floor at hand composition and distribution. He shall be given opportunity to set ads and job work from manuscript, and assist on make-up and imposition:

Provided, That in offices where typesetting devices are in use an apprentice in the first 6 months of his third year may be employed on bank work. (No apprentice shall be permitted to do bank work at any other period of his apprenticeship.)

In the fourth and fifth years an apprentice shall be employed at least 7 hours each day at hand composition, distribution, make-up, and stone work.

In the sixth year an apprentice shall be employed his full time at floor work: *Provided*, That in offices where typesetting devices are in use, apprentices shall be given the opportunity to work the sixth year on such machines.

SEC. 49. In the first week of the second year every apprentice shall pay to the secretary-treasurer of Chicago Typographical Union No. 16 the sum of $5, which shall constitute the first payment on the International Typographical Union Lessons in Printing. Thereafter he shall pay to the secretary-treasurer of Chicago Typographical Union No. 16 the sum of $5 every 3 months until a total of $25 has been paid. During the second, third, fourth, fifth, and sixth years, apprentices are required to complete the International Typographical Union Lessons in Printing as follows: Second year, unit one; third year, unit two; fourth year, unit three; fifth year, unit four; sixth year, unit five. Failing to complete these lessons as required he will not be awarded a new card and his employer will not be required to pay him the regular increase in scale for the new period until such lessons have been completed. Apprentices shall not be eligible to membership in Chicago Typographical Union No. 16 as journeymen until they have completed these lessons to the satisfaction of the International Typographical Union. At the end of the sixth year the apprentice shall appear before the joint apprenticeship committee for examination. If the examination proves satisfactory, the committee shall issue him a certificate showing that he has fulfilled the requirements laid down in these rules.

SEC. 50. Offices where typesetting machines are in use and where a regular journeyman machinist is employed may employ one machinist apprentice, who shall be allowed to do any machinist work assigned to him by the machinist in charge, which work shall finally embrace everything a machinist may be called upon to do. The term of apprenticeship shall be 6 years and the scale of wages provided for compositor apprentices shall apply. Applications for machinist apprentice cards must be signed by the chairman and head machinist of the plant where apprentice is employed. Said apprentice shall not be allowed to work without a journeyman machinist.

SEC. 51. Upon registration an apprentice having worked in a machine shop or having gained mechanical experience outside a printing office may be given credit for such time, according to his ability to master the adjusting and repairing of typesetting machines, such credits to be passed on by a joint committee of four machinists designated by the joint apprenticeship committee.

SEC. 52. Machinist apprentices shall not be permitted to operate keyboard.

SEC. 53. Porters may be allowed to melt metal, put metal around machines, but shall not be allowed to start, repair, change, or adjust machines, or clean mats, spacebands, and plungers.

SEC. 54. No apprentice or runner shall leave one office and enter that of another employer without the written consent of his first employer and the organizer of the union, approved by the joint apprenticeship committee.

SEC. 55. Except during the probationary period no apprentice shall be replaced by another apprentice having a lesser number of years of service.

SEC. 56. The scale of wages for apprentices registered subsequent to March 4, 1940, shall be the following ratio to the journeyman's scale:

	Percent		*Percent*
1st year	30	4th year	50
2d year	40	5th year	60
3d year	45	6th year	75

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Provided apprentices registered prior to March 4, 1940, shall be paid upon the percentages of the journeyman's scale, as set forth in the preceding agreement, which follows:

	Percent		*Percent*
1st year	30	4th year, 1st 6 months	60
2d year, 1st 6 months	35	4th year, 2d 6 months	67½
2d year, 2d 6 months	40	5th year	80
3d year, 1st 6 months	45	6th year	85
3d year, 2d 6 months	52½		

As a matter of convenience the nearest round figures are agreed upon in adjusting the apprentice scale.

SEC. 57. When apprentices are required to work overtime, such overtime shall be paid for in accordance with the provisions governing overtime. In no instance shall an apprentice be allowed to work overtime unless one or more of the regular force other than the foreman shall be employed. The ratio of 1 apprentice to 10 journeymen or major fraction thereof shall be maintained for all overtime.

MONOTYPE RUNNERS

SEC. 58. Attendants on monotype casting machines shall be classed as runners and are not to be considered apprentices nor confused with journeymen machinists. No runners shall be permitted to take charge of any plant. Runners may start and stop the machine, oil it and keep it running, put on spools of paper, put on and take off galleys, regulate the temperature of the metal, keep the metal pot filled, and perform such other work as may be assigned to them by the machinist in charge of the plant, but shall not be permitted to make any adjustments requiring machinists' tools.

The ratio of runners permitted in the caster rooms shall be one for each four casting machines in operation or major fraction thereof.

All monotype runners must be registered with the joint apprenticeship committee.

The wages of monotype runners shall be as follows:

1st year	30 percent of the scale
2d year	40 percent of the scale
3d year	50 percent of the scale
4th year	65 percent of the scale
5th year and thereafter	75 percent of the scale

[Itemized list of apprentices' wages omitted.]

CHICAGO TYPOGRAPHICAL UNION NO. 16,
By ——— ———, *President.*
THE FRANKLIN ASSOCIATION OF CHICAGO,
By ——— ———, *Chairman.*
INTERNATIONAL TYPOGRAPHICAL UNION,
By ——— ———, *President.*

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Government Agency—Tennessee Valley Authority

Agreement between Tennessee Valley Trades and Labor Council and the Tennessee Valley Authority, effective August 6, 1940.

ARTICLE I

Preamble

These articles constitute an agreement between the Tennessee Valley Authority, hereinafter referred to as the Authority, and those employees in the trades and labor classifications of the Authority as represented by the following unions of the American Federation of Labor on the basis of including within their memberships a majority of the employees eligible to designate such representatives, operating and cooperating through the Tennessee Valley Trades and Labor Council, hereinafter referred to as the council, said unions as acting through the council being recognized as the accredited representatives of these employees:

Brotherhood of Painters, Decorators and Paperhangers of America.
International Brotherhood of Boiler Makers, Iron Ship Builders and Helpers of America.
International Brotherhood of Blacksmiths, Drop Forgers and Helpers.
International Association of Machinists.
International Brotherhood of Electrical Workers.
International Hod Carriers, Building and Common Laborers' Union of America.
International Union of Operating Engineers.
Sheet Metal Workers' International Association.
International Union of Wood, Wire and Metal Lathers.
Operative Plasterers' and Cement Finishers' International Association.
United Association of Plumbers and Steam Fitters.
United Brotherhood of Carpenters and Joiners.
Bricklayers, Masons and Plasterers' International Union of America.
International Brotherhood of Teamsters, Chauffeurs, Stablemen and Helpers.
International Association of Heat and Frost Insulators and Asbestos Workers.

ARTICLE II

Declaration

The T. V. A. and the Tennessee Valley Trades and Labor Council recognize that cooperation between management and employees is indispensable to the accomplishment of the public purposes for which the T. V. A. has been established as set forth in the T. V. A. Act of May 18, 1933, as amended, and recognize that such cooperation rests squarely on clear-cut mutual understandings between the Authority and its employees arrived at through the processes of collective bargaining. Therefore, the Authority and the council on behalf of the employees it represents hereby agree to set up the following conference machinery and procedures to determine rates of pay in accordance with section 3 of said act, as well as hours of service and conditions of work of the employees; to adjust all disputes growing out of grievances or out of the interpretation or application of established labor standards agreed upon between the council and the Authority; and to promote intensive labor-management cooperation between the Authority and its employees.

The public interest in an undertaking such as the T. V. A. always being paramount, the Authority and the Tennessee Valley Trades and Labor Council on behalf of the employees further agree that pending the determination or adjustment of any issue arising between them by means of the conference machinery and procedures hereby set up and during the life of this agreement, the Authority will not change the conditions incorporated in written schedules or recorded understandings between the Authority and the council out of which the issue arose, and

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the council or its member organizations will not encourage or sanction employees leaving the service.

ARTICLE III

This agreement shall apply exclusively to employees in the trades and labor classifications of the Authority who are members or eligible to be members, or who perform the same type of work as members in any one of the organizations comprising the council. It is understood that the term "employee" as used in this agreement, refers to such employees of the Authority.

ARTICLE IV

Any employees in the trades and labor classifications of the Authority constituting an appropriate bargaining unit may signify their desire to become a party to this agreement by making application to the council and the Authority through a national or international union affiliated with the American Federation of Labor: *Provided*, That a majority of such employees have designated such national or international union as their representative, that such employees signify their intention to conform to the purposes and provisions of this agreement: *And provided further*, That the council accepts such union as a member.

If a dispute arises as to the appropriate unit for determining representation or as to the representative capacity of an applicant or signatory organization, such dispute shall be resolved by the method prescribed in paragraph 6 of the Employee Relationship Policy.

ARTICLE V

The parties to this agreement endorse and subscribe to the entire Employee Relationship Policy of the Authority, except as specifically modified in articles VII and VIII of this agreement and noted herein, and this agreement shall be considered a supplement thereto. In particular, section 3 of the Employee Relationship Policy becomes an integral part of this agreement:

"For the purpose of collective bargaining and employee-management cooperation, employees of the Authority shall have the right to organize and designate representatives of their own choosing. In the exercise of this right they shall be free from any and all restraint, interference, or coercion on the part of the management and supervisory staff. This paragraph shall not be construed to limit the rights of employees to organize for other lawful purposes."

ARTICLE VI

It is recognized and accepted by the parties to this agreement that membership on the part of an employee in a national or international union listed in the preamble to this agreement and affiliated with the council and in accord with the recognized jurisdiction of such union is conducive to the furtherance of the purposes of this agreement. Such membership shall, therefore, not be discouraged by anyone acting in supervisory capacity with the Authority.

ARTICLE VII

It is agreed that the Authority will not undertake the responsibility for determining jurisdictional boundaries between and among the various unions representing employees of the trades and labor classifications of the Authority. The Authority and the council agree that this determination is the responsibility of the national and international unions which have been duly designated to represent employees. By the same token, it is further recognized that the Authority is responsible for performing the duties assigned to it by the Federal statutes. To this end it must assign work to maintain schedules and to meet operating and construction requirements.

It is therefore agreed that where custom, practice, and tradition, or jurisdictional awards or decisions have established work boundaries for the national or international unions affiliated with the council, the employees represented by each such union shall be entitled to perform the work as determined by these boundaries. These boundaries shall not be modified except by agreement between these unions or by decisions of appropriate award bodies which the disputing

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unions, by agreement or through participation in such bodies, recognized as having jursidiction to make a final award. Wherever new pieces of work develop, these shall be allotted according to this principle.

It is further agreed that in the absence of jursidictional agreements, awards, or decisions reached as between any such unions the Authority shall assign the work to those employees who in its judgment are best qualified to perform the work. If, after work has been assigned on this basis, an agreement is reached between the unions or an award is rendered which conflicts with the Authority's assignment of work, the Authority agrees to alter its assignment to conform to such agreement or award as soon as replacement with qualified employees can be made without interfering with the progress of the work.

It is also agreed that the council shall notify the Authority of existing jurisdictional agreements or disagreements which affect the assignments of work by the Authority or those agreements or awards which are reached as a result of settlement of disputes. Nothing contained in paragraph 8 of the Employee Relationship Policy shall be interpreted to be in conflict with this article of this agreement.

ARTICLE VIII

Disputes between an employee and the Authority growing out of the grievance or grievances of an employee or group of employees, or out of the interpretation or application of the terms of the Employee Relationship Policy, or of this agreement or the schedules supplementary thereto, not otherwise adjusted under the procedure provided in paragraph 7 of the Employee Relationship Policy, may be referred for further handling to the council and to the Director of Personnel of the Authority. The officers of the council, together with the international representative, or his delegated agent, of the union representing the employee or employees concerned shall meet with the Director of Personnel, or his representative, and such officer or officers of the Authority as the Authority may designate for purposes of further review or adjustment of such disputes in joint conference.

In the event, however, any such dispute cannot be so adjusted, it may be referred, by petition of the parties, or by either party, to a joint board of adjustment, which shall be composed of two members with alternates designated by the council and two members with alternates designated by the Authority. No member of the board of adjustment previously involved in a case appealed to the board of adjustment shall participate as a member of the board in the settlement of such case but shall be replaced by his alternate. These members shall serve for 1 year from the date of their selection, or until their successors are duly selected or appointed. In case of a vacancy in the board, such vacancy shall be filled for the unexpired portion by the selection of a successor in the same manner in which the original selection was made.

The members of the board of adjustment shall be designated and shall meet in Knoxville, Tenn., on or before September 3, 1940, and shall organize by selecting a chairman and a secretary, both of whom shall be members of the board.

The offices of chairman and secretary shall be filled and held for 1 year alternately by a council member of the board of adjustment and by an Authority member of the board of adjustment. When a council member is chairman, an Authority member shall be secretary, and vice versa.

The chairman shall preside at all meetings of the board of adjustment. At its initial meeting the board of adjustment shall formulate rules for the conduct of proceedings before the board of adjustment and the rendering of decisions by the board of adjustment.

A majority vote of the board of adjustment shall settle any dispute considered by it.

If the board of adjustment has not adjusted any dispute or decided any case submitted to it within 60 days after completion of hearings thereon, the disputants shall be so notified and thereupon the board shall, with the concurrence of either party to any such unadjusted dispute, submit same to an impartial person to be known as a referee, who shall be selected from a panel of five suitable persons, such panel to be designated by the board of adjustment at the first meeting and kept filled by action at subsequent meetings if vacancies occur. The decision of such referee shall be accepted by both parties as final. The compensation and expense of such referee shall be jointly borne by the Authority and the council.

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ARTICLE IX

The Tennessee Valley Authority Act prescribes that the Authority shall pay laborers and mechanics employed by the Authority the prevailing rates of pay for work of a similar nature prevailing in the vicinity. In case of a dispute as to what are the prevailing rates of pay, the question shall be referred to the Secretary of Labor for determination and his decision shall be final.

In accordance with paragraph 21 of the Employee Relationship Policy either the Authority or the council may notify the other party between September 1 and September 15 of any given year that a preliminary conference is desired in October. At such conference the need for a joint conference to consider requests for revisions in rates of pay will be determined, and if such is deemed necessary, it will be called for the following month of November. At the preliminary conference joint committees may be named which will be charged with certain stipulated tasks relative to determining rates of pay, hours, and working conditions of employees represented by the unions through the council. At the joint conference in November, representatives of the local unions brought under the council will be invited to attend the meetings between the accredited representatives of the council and the Authority. Rates, hours, and working conditions when determined in accord with this process and the law shall be promulgated as schedules supplementary to this agreement.

ARTICLE X

Where the Authority enters into contracts for the performance of work which requires the employment of laborers and mechanics in the construction, alteration, maintenance or repair of buildings, dams, locks, or other projects, such contracts shall contain a provision that not less than prevailing rates of pay for work of a similar nature prevailing in the vicinity shall be paid to such laborers and mechanics, which rates shall not be less than the rates paid by the Authority to its employees doing similar work. Such other provisions regarding labor standards established by this agreement will also be included in such contracts insofar as it is or may be legally permissible to do so under the Tennessee Valley Authority Act and other governing Federal statutes.

ARTICLE XI

In accord with the declaration in this agreement, joint cooperative committees may be set up at convenient points selected by agreement on Authority projects. Committees shall consist of representatives from the Authority and employees. The council shall designate the employee members on these committees. Committees shall have power of self-organization. Minutes and proceedings of all meetings shall be kept.

These cooperative committees shall give consideration to such matters as are referred to in the concluding statement of the Employee Relationship Policy, namely, the elimination of waste in construction and production; the conservation of materials, supplies, and energy; the improvement in quality of workmanship and services; the promotion of education and training; the correction of conditions making for grievances and misunderstandings; the encouragement of courtesy in the relations of employees with the public; the safeguarding of health; the prevention of hazards to life and property; the betterment of employment conditions; and the strengthening of the morale of the service. The committees, shall, however, not consider and act upon subjects or disputes, the adjustment of which is provided for by articles VII VIII, and IX of this agreement. Conclusions reached by these cooperative committees shall be by unanimous decision and shall be referred to the appropriate officers of either or both parties for action.

It is further contemplated that at least twice a year, or more often if mutually agreed, the officers of the council and the Authority shall meet in a joint Valley-wide cooperative conference for the purpose of reviewing the conclusions reached and actions taken by the local cooperative committees, for acting upon any matters referred to it by such local conferences, or for any other cooperative actions deemed desirable by it in keeping with the purposes expressed in the concluding statement of the Employee Relationship Policy.

ARTICLE XII

It is agreed that an adequate system of apprenticeship shall be established and maintained for employees of the Tennessee Valley Authority. A central joint

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council on apprenticeship shall be maintained for this purpose, consisting of an equal number of representatives of the Authority and the council. The minimum standards of apprenticeship adopted by the central joint council shall conform to the standards, or be subject to the approval, of the Federal Committee on Apprenticeship.

Article XIII

Practices now in effect as the result of joint conferences between the parties to this agreement will remain in effect until modified or abolished by joint agreement or otherwise in keeping with the provisions of this agreement. Rates of pay, hours of service, and working conditions determined by the procedures established by this agreement shall be attached hereto in the form of schedules.

Such schedules or established practices relating to matters other than the determination of rates of pay may be amended in joint conference called upon 30 days' notice of either party by the other.

Article XIV

This agreement shall become fully binding upon the Authority, the council, the separate member unions of the council, and the employees individually and collectively, when signed by the respective presidents of the international organizations recorded in article I hereof, the officers of the council and the Authority. This agreement shall continue in effect for 1 year and shall be self-renewed thereafter, except that after 1 year it may be reopened at any time by the Authority or by the council in joint conference called upon 90 days' notice of either party to the other.

In consideration of the fact that the presidents of the international unions affiliated with the American Federation of Labor listed in article I (Preamble) hereof have approved the foregoing agreement, thereby vesting the Tennessee Valley Trades and Labor Council with authority to make said agreement with the Tennessee Valley Authority, on behalf of the employees of the Authority represented by said unions, the Tennessee Valley Trades and Labor Council hereby consummates the foregoing agreement with the Authority by the following signatures:

——— ———.

——— ———.

(For the Authority.)

——— ———.

——— ———.

(For the employees.)

Supplementary Schedules Relating to Hours of Service and Working Conditions

Pursuant to the provisions of article XIII of the general agreement of August 6, 1940, the following supplementary schedules attached hereto and made a part hereof are hereby adopted as supplements to the Employee Relationship Policy and the general agreement of August 6, 1940:

1. Scheduled hours of work and meal periods.
2. Work on holidays and days of rest.
3. Overtime and call work.
4. Allowances for reporting when services are not required.
5. Certain provisions with reference to termination.
6. Qualification, selection, and work of foremen.
7. Classification and work of helpers.
8. Reclassification.
9. Substitute personnel during extended absences.
10. Understanding with regard to union representatives on the job.

The rules and regulations incorporated in the attached schedules have heretofore been in effect as practices and standards arising from provisions of the Employee Relationship Policy and/or agreements reached in joint conferences between the Authority and the council and will remain in effect in the manner and to the extent provided in the Employee Relationship Policy and the general agreement of August 6, 1940. In accordance with article XIII of the general agreement, these schedules may be modified or abolished in joint conference called upon 30 days' notice of either the council or the Authority by the other. If, however,

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agreement in such joint conference is not reached between the council and the Authority, either may invoke the services of a mediator who shall be the joint selection of both parties from a panel of five suitable persons previously agreed to by the council and the Authority, said panel to be designated as soon as possible after these supplementary schedules become effective. The compensation and expenses of such mediator shall be borne jointly by the Authority and the council. A mediator so selected shall use his best efforts by mediation to bring the parties to an agreement. If such efforts to bring about an amicable settlement through mediation shall be unsuccessful, the said mediator shall at once endeavor to induce the council and the Authority to submit their controversy to arbitration. If arbitration is agreed to, the parties shall each appoint an arbitrator, and the third arbitrator shall be designated by the mediator. The decision of a majority of said arbitrators shall be final and binding on both parties. The expenses of arbitration shall be divided equally. If arbitration, after being proposed by the mediator or by either party, is not accepted within 10 days, the mediator shall notify both the council and the Authority to that effect and no modification or termination of any provision of any of these schedules shall be made by either party for a period of 30 days from the expiration of said 10-day period.

1. *Scheduled Hours of Work and Meal Periods.*

(*a*) In compliance with paragraphs 9 and 10 of the Employee Relationship Policy, the regular hours of employment of all employees in the trades and labor classifications shall be bulletined by kinds of employment or by services at each place of employment. Such bulletins shall indicate how these hours may be worked in any 24-hour period. The regular hours of employment shall not exceed 8 in any 24-hour period. The regular hours of employment for hourly rated employees shall not exceed 40 in any calendar week. All work shall be so organized as to provide at least 1 day's rest in 7. Whenever feasible, such day of rest shall be Sunday.

(*b*) In compliance with conclusions reached at the fourth and fifth annual wage conferences, the Authority and the council agree to a workweek of 5 consecutive days for hourly construction employees on dam construction. An 8-hour day is acknowledged as preferable and will be worked wherever practicable, but when it is deemed necessary to work three shifts per day, it will be permissible to work three 7½-hour shifts, 5 days per week. When more than 5 days per week are required, it will be permissible to use swing shifts to allow the jobs to operate 7 days per week. Scheduled shifts of 7½ hours or 8 hours per day will be worked at straight time, including Saturday and Sunday, when these days fall within employees' regular work schedules. It is understood that no dam construction work is contemplated on which bricklayers will be affected by this agreement. A 5-day, 40-hour workweek shall be scheduled in the construction department of the fertilizer works with the understanding that if hardships or disadvantages appear to either labor or management, a joint conference will be called at the fertilizer works to evaluate the desirability of maintaining or modifying this schedule.

(*c*) (Effective March 16, 1941.) The length of meal periods will be determined on each job by joint agreement of local job management and job stewards, or by local joint committees when established under article XI of the general agreement, and shall not be less than 30 minutes nor more than 1 hour.

Meal periods will be scheduled during each shift between the end of 3½ hours and the beginning of 5½ hours after the beginning of the shift. Such scheduled lunch period will be adhered to generally but should any employees be worked or held on duty during this scheduled meal period, management will arrange, if possible, another meal period for such employees within the limits of this 2-hour period.

When a meal period is not afforded within this agreed time limit the meal period will be paid for at pro rata rate and 15 minutes with pay in which to eat shall be afforded at the first opportunity.

This schedule governing meal periods does not apply to permanent operating positions.

2. *Work on Holidays and Days of Rest.* (Revised effective January 1, 1941.)

In compliance with paragraph 9 of the Employee Relationship Policy, any hourly rated employee required to work on Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas, or on his designated day of rest shall be paid at the rate of time and one-half. In compliance with conclusions and agreement reached at the sixth annual wage conference, any annually rated em-

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ployee required to work on Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas or on his designated day of rest shall be paid for actual time worked at the rate of time and one-third. For overtime purposes the hourly rate of annually rated employees shall be derived by dividing the annual salary rate by 2,080 (hours per year).

3. *Overtime and Call Work.* (Revised effective January 1, 1941.)

(*a*) In compliance with paragraph 9 of the Employee Relationship Policy and conclusion reached at the fifth annual wage conference, all overtime worked by hourly rated employees in excess of and continuous with, either before or after, bulletined hours shall be paid for at the rate of time and one-half. Time taken for meals will not terminate this continuous service period. Hourly rated employees called and reporting for emergency work outside of and not continuous with regular bulletined hours shall be paid a minimum of 4 hours' wages for 2 hours and 40 minutes or less work. If worked in excess of 2 hours and 40 minutes, they shall be paid for such additional work at the rate of time and one-half. Employees so called shall be required to perform such work as called for, or work of equal importance which may develop while they are on duty.

All authorized overtime worked by annually rated employees in excess of and continuous with, either before or after, regularly bulletined hours shall be paid for at the rate of time and one-third. Time taken for meals will not terminate this continuous service period. Annually rated employees called and reporting for emergency work outside of and not continuous with regularly bulletined hours shall be paid a minimum of 4 hours' wages for 3 hours' or less work. If worked in excess of 3 hours, they shall be paid for such additional work at the rate of time and one-third. Employees so called shall be required to perform such work as called for or work of equal importance which may develop while they are on duty. For overtime purposes the hourly rate for annually rated employees shall be derived by dividing the annual salary rate by 2,080 (hours per year).

NOTE.—The foregoing provisions respecting minimum allowance of 4 hours are, as indicated in Request No. 25, Fifth Annual Wage Conference Report, adopted only for the year 1940 with the understanding that the application of same would be studied during the year, and, if any operations were severely affected, management would present an alternative at the next annual wage conference. Except as provided in management's stipulation of November 7, 1940, the provisions respecting the minimum allowance of 4 hours for call duty will be continued until either party to the general agreement serves the required notice to revise or cancel.

(*b*) In compliance with paragraph 9 of the Employee Relationship Policy and conclusions reached at the fifth annual wage conference, every possible effort will be made to minimize overtime and to conform to bulletined hours of work. When emergencies arise which will apparently extend over such a period of time as to require excessive overtime on the part of employees, additional personnel will be secured as soon as practicable and possible.

No employee should be required or permitted to work more than three continuous shifts without an intervening period of rest of at least 8 hours. This shall not apply to instances in which men on tugboat or other travel assignment may be on continuous duty, but during which adequate rest periods are provided. Should an emergency arise wherein an employee is required to work more than three continuous shifts without an intervening 8-hour period of rest, such case will be handled individually on its own merits.

When, in the estimation of management, it is necessary that overtime work be performed, management shall seek, insofar as practicable, to distribute such overtime work among the qualified employees in the group in which the overtime is worked. To achieve this end overtime records will be made available upon request to the labor representatives by the authorized supervisory officer of the department involved.

4. *Allowances for Reporting When Services Are Not Required.* (Revised effective March 1, 1941.)

In compliance with conclusions reached at the third and fifth annual wage conferences, the following provisions are adopted with regard to allowances for reporting when services are not required:

(*a*) Hourly rated employees, except those living in construction camps, who report for scheduled duty and whose services are not required and who have

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not been so notified, will be paid 1 hour of working time or $1, whichever is greater.

(*b*) When an employee, who has not been otherwise notified, reports for scheduled duty and in the judgment of management it appears unlikely that his services can be utilized within the hour, he shall be so notified and released immediately. If management feels that there is reasonable expectation of utilizing the services of such an employee within an hour of his regular reporting time, the employee shall be so informed in order that he will hold himself available in case work could be started within the hour. If work is started during the period of waiting or at the beginning of the second hour, the employee shall receive his regular pay from the time of reporting until work ceases, or $1, whichever is greater. If an employee starts work at the scheduled time, but weather conditions or other circumstances cause management not to require his services for the entire shift, he shall be paid wages at his regular rate for all the hours worked, or $1, whichever is greater.

5. *Certain Provisions With Reference to Termination.*

(*a*) Paragraph 16 of the Employee Relationship Policy provides that a supervisor may for just cause terminate the services of any employee under his supervision. It was agreed at the fifth annual wage conference that the recommendation of the supervisor (form 77) shall remove the employee from his work assignment and pay status, but, in accordance with established procedures, the analysis of work performance, as made on the form 77, shall be discussed with the employee and, if the employee so requests, a time interval of 48 hours shall be given between the time of making out form 77 and the issuance of the authorization to remove the employee from the pay roll (form 78). In the event of termination for unsatisfactory service, an additional copy of the form 77 shall be given upon request to the employee. If there is disagreement between the employee (or his representative) and the supervisor regarding the analysis of the employee's work record as made on the form 77 at the end of the time interval provided before issuance of the form 78, the established grievance procedure shall then be pursued for the further adjustment of the dispute.

(*b*) In compliance with conclusions reached at the third annual wage conference, payment of wages for 2 hours at the employee's regular rate will be made to hourly rated employees who comply, within 3 work days from the time of termination, with the full termination procedure established for hourly employees.

(*c*) In compliance with paragraph 12 of the Employee Relationship Policy, the desirability of giving advance notice before reducing forces is recognized.

6. *Qualification, Selection, and Work of Foremen.*

In compliance with conclusions reached at the fifth annual wage conference, it is agreed that:

(*a*) Where, in the judgment of management, immediate craft supervisors (or foremen) are required, they will be selected and employed on the basis of journeyman experience in the craft which they will supervise. In making such selections, due consideration will be given to: Demonstrated or potential leadership qualities; a reasonable knowledge of the technical aspects of the work; a demonstrated ability to cooperate on the job; and experience within the Authority. This interpretation covers the supervisor or foreman where his supervision is restricted to the craft being supervised.

(*b*) Management recognizes the desirability of utilizing sufficient craft foremen to permit the most effective operation on the various projects. It therefore agrees to continue to give full consideration to the use of foremen in all cases where safety, efficiency, good practice, and the best interests of craftsmen are concerned; this applies to regular and extraordinary operations of all types.

(*c*) It is recognized that general foremen and higher mechanical supervisors have supervisory responsibilities only and are not permitted to use the tools of the trades they supervise.

(*d*) No supervisor of any craft shall give orders to journeymen of another craft regarding the technical nature of the latter's work or the manner in which it is to be performed. This provision, however, does not preclude functional supervision over or assignment of work orders to journeymen by supervisors of another craft.

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7. *Classification and Work of Helpers.*

In compliance with conclusions reached at the fifth annual wage conference, it is agreed that:

(*a*) Employees classified as helpers in all trades recognizing the use of helpers in connection with such trades will be used only to assist the trade journeymen and will perform no work recognized as being specifically journeymen's work.

(*b*) Supervisors, especially craft foremen and journeymen with whom helpers are assigned to work, will be held responsible for avoiding the use of helpers on work of journeymen level.

(*c*) Welder helpers shall not be allowed to use the acetylene torch to cut or burn.

8. *Reclassification.*

Paragraph 5 of the Employee Relationship Policy provides for the occupational classification of both hourly and annually rated positions to assure comparable rates for comparable work. In order to facilitate the application of that basic principle of the personnel program, the following procedure has been agreed upon and adopted for dealing with requests for reclassification when employees of the trades and labor classifications have reason to believe they are performing work of a higher classification than that for which they are being paid:

(*a*) An employee or his representative shall call claim for reclassification to the attention of both his supervisor and the personnel representative on the job during the time he is employed at the work on which the claim for higher classification is based. It is preferable that such claims be stated in writing.

(*b*) A decision by job management will be rendered within 1 week of date claim is presented both to his supervisor and the local personnel representative.

(*c*) Failing satisfactory adjustment, a claim may be appealed to the central office of the personnel department, which will clear with appropriate department heads.

(*d*) The central office of the personnel department will render its decision within 10 days of receipt of appeal.

(*e*) All decisions approving a reclassification claimed in accordance with the above procedure shall be effective retroactively to the date on which the claim was filed with the employee's supervisor and the personnel representative, except that such reclassification shall not be effective earlier than the first day of the pay period in which the reclassification is approved.

(*f*) No claim to reclassification will be considered which is not made while the employee is performing the work on which he bases his claim for reclassification.

9. *Substitute Personnel During Extended Absences.*

It was understood and agreed at the fifth annual wage conference that when a maintenance employee is absent from duty because of annual leave or for other reasons, and normal operations require that the duties of that employee be continued, provision will be made to absorb these duties by the transfer (or assignment) or employment of necessary personnel.

10. *Understanding Regarding Union Representatives on the Job.*

It was understood and agreed at the fifth annual wage conference that labor recognizes the responsibility of management in the normal preservation of necessary work routine, safety, and the necessity for a uniform procedure in the matter of visitors to the working areas of its projects. To this end management will make available to authorized labor representatives, through the proper channels, passes permitting such representatives to visit such projects. Likewise, management recognizes the responsibility of organized labor in carrying out its authorized functions. To this end labor assumes the responsibility of confining the functions of its representatives to those things which come within the scope of such responsibility, and will not include: General solicitation of membership; general solicitation of dues on the job; requesting members to leave their places of work without having secured proper permission from their immediate supervisors. This applies only during working hours.

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Automobile Agreement

This agreement made this twentieth day of June 1941, by and between the Ford Motor Co., a Delaware corporation, hereinafter designated as the company, and the International Union, United Automobile Workers of America (affiliated with the Congress of Industrial Organizations), an unincorporated voluntary association, hereinafter designated as the union, witnesseth:

Recognition

1. The company recognizes the union as the exclusive collective-bargaining agency for all the employees of the company in all of the production and assembly plants and units of the company in the United States of America, with the exception of the following categories, which are hereby excluded:

Superintendents and assistant superintendents; general foremen, foremen, and assistant foremen, and all other persons working in a supervisory capacity, including those having the right to hire or discharge, and those whose duties include recommendation as to hiring or discharging; all employees in the sociological department; all employees exclusively in the administration building at the Rouge Plant and all employees at branch plants who are engaged in work which corresponds to that done in said administration building (but service and maintenance employees in said administration building shall be included); all employees employed exclusively in the rotunda shall be included; building superintendent's clerks (but not more than two clerks for each building superintendent); time-study men; plant-protection employees; chief engineers; engineers in power plants; designing, production, estimating, and planning engineers; artists; lay-out men and designers in the engineering department; chemists; metallurgists; physicists; students and instructors in technical schools; professional employees, their professional assistants, and those training in the professions; Dearborn Laboratory workers; farm workers; trade-school workers; and boys'-camp workers.

Union Shop

2. It is a continuing condition of employment with the company that employees covered by this agreement, both present employees and new employees, shall be and remain good-standing members of the union. Persons losing their membership in the union shall not be retained in the employ of the company.

3. Present employees who are not now members of the union must become members within 30 days from the date hereof.

4. The union will accept into membership all employees covered by this agreement, provided that a person now employed or who may hereafter be employed, who is not now a member of the union but who has been a member and who has lost his membership by reason of resignation or expulsion, may be excluded from the union, in its discretion, in which event such excluded person shall not be retained in the employ of the company.

Dues Collections

5. The company will deduct from the pay of each employee covered by this agreement all union initiation fees, dues, and assessments.

6. All deductions shall be made during the first pay period of each calendar month: *Provided*, That (*a*) deductions of initiation fees for present employees who are not now members of the union may be made within 30 days from the date hereof and (*b*) deductions of initiation fees of new employees who are not members of the union shall be made out of the first pay received by such employees. The company will promptly notify all employees of these conditions.

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7. Assessments must be first approved by the union before deductions shall be made therefor. The union will give the company notice of its approval of assessments.

8. The amount to be deducted by the company for assessments shall not exceed the sum of $1 a year. However, the company recognizes the right of the union to levy assessments in excess thereof, in accordance with the constitution of the union, and the company will not retain in its employ any person who shall have lost his membership in the union by reason of his failure to pay such assessment to the union.

9. All sums deducted shall be remitted to the secretary-treasurer of the union not later than the twenty-fifth day of the calendar month in which such deductions are made, the same to be by him allocated and distributed in accordance with the constitution, laws, and regulations of the union.

10. The company and the union shall work out a mutually satisfactory arrangement by which the company will furnish the secretary-treasurer of the union monthly a record of those for whom deductions have been made, together with the amounts of such deductions.

Responsibility of Management

11. The right to hire and to maintain order and efficiency is the sole responsibility of the management.

12. The right to promote, and the right to discipline and discharge for cause are likewise the sole responsibility of the management: *Provided*, That claims of discriminatory promotions and of wrongful or unjust discipline or discharges shall be subject to the grievance procedure herein provided.

13. The union recognizes other rights and responsibilities belonging solely to the company, prominent among which, but by no means wholly inclusive, are the rights to decide the number and location of plants, the machine and tool equipment, the products to be manufactured, the methods of manufacture, the schedules of production, the processes of manufacturing or assembling, together with all designing, engineering, and the control of raw materials, semi-manufactured, and finished parts which may be incorporated into the products manufactured.

Representation

14. The employees in each department shall be represented by departmental committeemen on each shift, as follows:

(*a*) Where the number of employees on a shift is 550 or less, there shall be one departmental committeeman.

(*b*) Where the number of employees on a shift exceeds 550 but does not exceed 1,050, there shall be two departmental committeemen.

(*c*) And so on.

15. A building committee of three for each shift in each building shall be selected, which committee shall hold meetings periodically with building supervision. These meetings shall be held once a week. Emergency meetings may be held by mutual agreement of supervision and the building committee.

16. The building chairman shall automatically become a member of the building committee.

17. The elected chairman of each building or unit committee shall constitute the plant committee, who shall meet with officials designated by the company. These meetings shall be held once a week. Emergency meetings may be held by mutual agreement of supervision and the plant committee.

18. All committeemen shall have been in the regular employ of the company for 1 year immediately preceding their designation as committeemen.

19. All building chairmen shall devote their full time to their duties as such.

20. Building chairmen shall receive the same wages which were received by them on their respective jobs at the time they became building chairmen, and shall receive the benefit of any raises which may thereafter be given to those employed on such jobs.

21. An international union representative should be present at all meetings of the plant committee.

22. The final appeal board shall consist of an equal number of international-union and company officials, the number to be mutually agreed upon by the company and the union.

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GRIEVANCE PROCEDURE

23. All grievances shall be subject to the following grievance procedure:

24. An employee having a grievance shall present it in the first instance either to his foreman or to his departmental committeeman. The departmental committeeman shall negotiate it with the foreman or with the department superintendent.

25. If a satisfactory settlement cannot be reached, the departmental committeeman shall refer the grievance in writing to the building committee, who shall negotiate it with the building superintendent.

26. A grievance which cannot be settled between the afternoon- or midnight-shift building committee and the building superintendent shall be referred to the day-shift building committee.

27. If a satisfactory settlement cannot be reached, the building committee shall refer the grievance in writing to the plant committee who shall negotiate with the designated company officials.

28. If a satisfactory settlement cannot be reached, the grievance shall be referred to the appeal board.

29. A settlement on each grievance shall be reached within 2 weeks from the time of its original presentation to the foreman or department superintendent, as the case may be. Failing therein, the matter shall be referred to the appeal board in writing within 30 days at the request of each party.

30. The appeal board shall proceed with the disposition of the matter with the utmost of dispatch.

SENIORITY

Acquiring Seniority.

31. Seniority as to length of service shall be cumulative from the first day of employment.

32. All employees involved in current National Labor Relations Board controversies who are or may be reinstated shall be deemed to have been continuously employed throughout their period of unemployment by the company preceding their reinstatement.

33. Employees shall acquire seniority after 6 months from date of hiring, after which their seniority shall be as of date of hiring.

34. For the purpose of seniority in the production divisions each building shall constitute a unit.

35. Seniority in the skilled groups (tool and die makers, pattern makers, molders, and all maintenance men) shall be by interchangeable occupational groups on a plant-wide basis.

36. When an employee acquires seniority his name shall be placed on the seniority list for his building or unit in order of date of hiring.

Seniority Lists.

37. As soon as possible, but not later than 60 days after the signing of this contract, the company will submit to the chairman of the building or unit committee a list of employees in his particular building or unit, showing their length of service with the company. Union representatives will then have 45 days after receipt of such list to file exceptions to it. After this time has elapsed, the list will be considered a true one and all exceptions after the 45-day period shall be taken up as grievances through the grievance procedure.

38. Every 3 months the company will submit to the chairman of the building or unit an up-to-date list of that particular building or unit.

Preferential Seniority.

39. Notwithstanding their position on the list, all committeemen shall in the event of a lay-off be continued at work as long as there is a job in their respective districts which they are able to do and any of their respective constituents are still at work, and shall be recalled to work after the lay-off as soon as there is a job in their respective districts which they are able to do and one of their respective constituents has been recalled to work.

40. Notwithstanding their position on the list, the plant committee and the president, vice president, financial secretary, recording secretary, treasurer, and three trustees of the local union shall, in the event of a lay-off and rehiring, be continued at work at all times when one or more departments or fractions thereof are at work.

41. In employing new people in any department, the company will, insofar as reasonably practicable, give work opportunity to employees in occupational

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groups who are at the time laid off and are not expected to be returned to work at their plant.

Transfers and Promotions.

42. An employee who has been transferred from one department, building, or unit to another for a period of less than 6 months, shall be considered a temporary employee in his new department, building, or unit and he shall not accumulate any seniority in his new department, building, or unit, but this seniority shall be added to the seniority he has in the old department, building, or unit.

43. An employee who has been transferred from one department, building, or unit to another for 6 months or more shall accumulate this seniority in his new department, building, or unit. In the event it becomes necessary to reduce the number of employees in his new department, building, or unit, and the transferred employee has the least seniority in this department, building, or unit, he shall be the first laid off, in which event he will be transferred back to his old department, building, or unit. If the employee requests that he be transferred back to his old department, building, or unit before the expiration of the 6 months, the request shall be granted.

44. Employees transferred to the aircraft building or to other branches for defense work shall have the right to their former jobs on the basis of seniority when and if the company discontinues such operations.

45. No employee shall be transferred to a job for the purpose of affecting his seniority.

46. Promotions to higher-paid jobs or better jobs with equal pay are based primarily upon merit and ability, but when all other things are equal the employee having the greatest seniority will receive the preference. This clause does not apply to promotions to supervisory positions.

Loss of Seniority.

47. Seniority shall be broken for the following reasons:

(*a*) If the employee quits.

(*b*) If the employee is discharged and the discharge is not reversed through the grievance procedure.

(*c*) If the employee fails to report to work within 5 days after being notified to report and does not give a satisfactory reason.

Discontinuation of Jobs.

48. When a classification of work is permanently discontinued, employees in such classification shall within 3 days be transferred without loss of seniority to other classifications of available work in which they can qualify, providing they have greater seniority than the employees in such new classifications.

Lay-Off Procedure.

49. When there is a decrease in force, the following procedure shall be followed:

(*a*) Employees having no seniority shall be laid off.

(*b*) The hours of work shall be reduced to 32 hours per week before anyone else is laid off.

(*c*) Should there be any further decrease in force, employees will be laid off according to seniority in order to maintain the 32-hour week.

Seniority in Lay-Off and Rehiring.

(*d*) The order of lay-off and rehiring shall be governed by, first, seniority of employment; and, second, ability. Should there be any dispute involving the application of this clause it shall be subject to joint determination through the grievance procedure.

Rehiring Procedure.

50. When there is an increase in force after a lay-off, the following precedure shall be followed.

(*a*) All employees will be returned to work according to seniority before the hours are increased above 32 hours per week.

(*b*) The hours may be increased to 40 hours per week.

(*c*) Employees having no seniority will not be called back until all employees with seniority capable of doing the work have been called back.

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Disability Absence.

51. When an employee's absence from work is due solely to disability resulting from sickness or injury and due proof of the disability is given to the plant, he will be returned to work in accordance with his seniority as nearly as may be as if he had not suffered disability. If the disposition made of any such cause is not satisfactory, the matter may be referred to the grievance procedure.

Lay-Off of Disabled Employees.

52. For the protection of employees who are handicapped by major physical disabilities, they may be exempted from the operation of the seniority provisions of this agreement in the event of lay-off, at the discretion of the company.

Occupational Disability.

53. Any employee who has been incapacitated at his regular work by injury or compensable occupational disease while employed by the company may be employed in other work in the plant which he can do without regard to any seniority provisions of this agreement.

Seniority With Relation to Supervisory Jobs.

54. If an hourly rated employee is promoted to assistant foreman, foreman, or to any other supervisory position, and is later demoted to hourly day-rate employment, he shall commence work as an hourly rated employee with the seniority ranking which he had at the time of his promotion.

LEAVE OF ABSENCE

55. An employee requesting leave of absence shall make application in writing to his foreman on a form to be provided for that purpose.

Informal Leave.

56. Leave of absence may be granted for personal reasons for a period not to exceed 30 days upon application of the employee and approval of his foreman. Such leave of absence shall not be renewed, and seniority shall accumulate during the leave.

Formal Leave.

57. Leave of absence shall be granted for personal reasons for a period not to exceed 90 days upon application of the employee and approval of the management, when the services of the employee are not immediately required and there are employees available in the plant capable of doing the work.

58. An approved copy of the formal leave of absence will be furnished to the employee before such leave shall become effective.

59. Leaves of absence may be extended upon the approval of the employment department.

Leaves Upon Union Request.

60. Any employee selected to a union position or selected by the union to do work which takes him from his employment with the company shall, upon the written request of the union, receive a temporary leave of absence for the period of his service for the union and, upon his return, shall be reemployed at work generally similar to that in which he was engaged last prior to his leave of absence; and his seniority shall accumulate throughout the period of his leave of absence. Application for such leave of absence shall be made and granted yearly.

Sick Leave.

61. An employee who shall become ill, and whose claim of illness is supported by satisfactory evidence, shall be granted sick leave of absence automatically.

WAGES AND HOURS

62. The company will pay rates in the several classifications at least as high as those paid by the major competitor, named below, in its respective industry:

(*a*) In the auto industry.
(*b*) In the cement industry.
(*c*) In the glass industry.

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(*d*) In the steel industry.
(*e*) In the tire industry.
The union agrees to name the competitor within 10 days.

63. Any individual employee or classification of employees now receiving in excess of the rates established as above shall not be reduced. Said rates shall apply to old and new employees alike.

64. All wage adjustments in respect to section 62 shall be retroactive to the date of the signing of this agreement.

65. Any employee called to work or permitted to come to work without having been properly notified that there will be no work, shall receive a minimum of 2 hours' pay at the regular hourly rate, except in case of labor disputes, or other conditions beyond the control of the local management.

66. Employees working on first and third shifts shall receive 5 cents per hour in addition to their regular pay for the day period.

67. (*a*) Time and one-half will be paid for time worked over 8 hours per day.
(*b*) Time and one-half will be paid for time worked over 40 hours per week.
(*c*) Time and one-half will be paid for Saturday work in excess of 40 hours per week, except as specified below. No employee will be laid off during the week for the purpose of avoiding overtime payment. For Saturday work following a holiday specified below in the same week, time and one-half will be paid.
(*d*) Double time will be paid for work on Sundays and the following legal holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas, except as outlined in the following paragraph.
(*e*) Employees working on necessary continuous 7-day operations whose occupations involve work on Saturdays, Sundays, and holidays shall be paid overtime for work on these days only for time worked in excess of 8 hours per day or in excess of 40 hours per week.

68. In case the laws of the United States are changed either to increase or decrease permissible working hours and overtime rates, modification of the provisions of this contract relating to working hours and overtime rates shall be subject to negotiation, during the term of this contract.

69. The company agrees that wages shall be paid weekly as soon as this change can be effected, in no event later than 6 months from the signing of this agreement.

70. The question of the payment of a bonus for Christmas Day, 1941, to employees covered by this agreement shall be a subject for joint negotiations beginning early in December 1941.

71. It is also agreed that during the life of its present agreement the eventual determination of all matters affecting the payment of wages shall be a subject matter of joint consideration between the company and the union.

Strikes and Lock-Outs

72. Continuous and uninterrupted manufacture and production of goods by the company, and orderly collective-bargaining relations between the company and the union to secure prompt and fair disposition of grievances, being essential considerations for this agreement, it is agreed that the union and its members individually and collectively will not, during the term of this agreement, cause, permit, or take part in any strike, picketing, sit-down, stay-in, slow-down, or other curtailment or restricting of production or interference with work in or about the company's plants or premises, until the procedure provided herein for the settlement of grievances has been complied with. The company reserves the right to discipline any employee taking part in any violation of this section of this agreement. Correlative with this provision the company agrees not to engage in a lock-out.

Apprentices

73. All matters involving apprentices (those graduating from trade school and apprentice school, and those regularly employed in the plant) shall be the subject of negotiations and agreement between the union and the management of the respective plants of the company.

Bulletin Boards

74. In plants or units covered by this agreement the company will erect bulletin boards in suitable places mutually agreed upon, to be used solely by the union

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for posting notices except that additional notices may be posted by mutual consent. Notices shall be restricted to the following types:

(*a*) Notices of union recreational and social affairs.

(*b*) Notices of union elections, appointments, and results of union elections, pertaining to the local plant.

(*c*) Notices of union meetings.

The bulletin board shall not be used by the union nor its members for discriminating propaganda of any kind whatever; and among other things shall not be used by the union for posting or distributing pamphlets or political matter of any kind whatsoever, or for advertising.

Rules and Regulations

75. The company agrees to supply each employee with a copy of rules and regulations of the company concerning management, safety, police and fire protection, etc., but those rules and regulations shall not be so devised as to abridge the rights of the employees guaranteed by this agreement. Violation of any of these rules shall be sufficient cause for discipline or discharge, provided that the claims of wrongful or unjust discipline or discharge for such violations shall be subject to the grievance procedure herein provided. The rules and regulations shall be mutually agreed upon by the company and the union.

General

76. In the event any of the provisions of this agreement shall be or become invalid or unenforceable by reason of any Federal or State law now existing or hereafter enacted, such invalidity or unenforceability shall not affect the remainder of the provisions hereof.

77. The company shall continue to make reasonable provisions for the safety and health of its employees during the hours of their employment. The company will provide protective devices and other equipment necessary to protect the employees from injury and sickness.

78. The provisions of this contract shall apply to all employees covered by this agreement, without discrimination on account of race, color, national origin, or creed.

79. All plant-protection employees shall wear conspicuous insignia to clearly distinguish them from other employees.

80. The length of the employee's service with the armed forces of the United States, or enforced military training, shall be included in the computation of his length of service with the company, to determine his status on the seniority list. Any employee actively serving in the armed forces of the United States, or absent because of enforced military training, shall not lose his seniority status, but upon termination of such service shall be reemployed by the company, provided he has been honorably discharged from service and reports for work within 60 days after his discharge.

81. There will be no rotations of shifts. This shall take effect the second Monday after the signing of this agreement.

82. In the event an employee is given an assignment to do work in a plant other than the one in which he is regularly employed, his transportation fare shall be borne by the company.

83. The union will permit the company to use the union label on products manufactured in plants covered by this agreement.

Duration of Contract

84. This agreement shall continue in full force and effect for 1 year from the date hereof, and from year to year thereafter unless, at least 30 days prior to any expiration date, either party notifies the other in writing of its desire to terminate the agreement, in which event the agreement shall terminate on the expiration date of the year in which the notice is given.

85. At least 30 days prior to any expiration date, either party may notify the other of its desire to amend the agreement, in which event the notice shall set forth the nature of the amendments desired. If the parties are unable to agree upon the proposed amendment or amendments on or before the expiration date of the contract, the contract shall expire on its expiration date, unless the party

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or parties proposing the amendment or amendments shall have previously withdrawn them.

86. Any amendments which may be agreed upon shall become and be a part of the agreement without modifying or changing any of the other terms of the agreement.

87. Notices shall be in writing and shall be sufficient if sent by mail addressed, if to the union, to International Union, United Automobile Workers of America (C. I. O.), 281 West Grand Boulevard, Detroit, Mich., or to such other address as the union shall furnish to the company in writing, and if to the company, to Ford Motor Co., Dearborn, Mich., or to such other address as the company shall furnish to the union in writing.

In witness whereof the parties hereto have caused this agreement to be executed and signed by their duly authorized representatives the day and year first above written.

FORD MOTOR CO.

INTERNATIONAL UNION,
UNITED AUTOMOBILE WORKERS OF AMERICA
(Affiliated with the Congress of Industrial Organizations).

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