COLLECTIVE BARGAINING PROVISIONS

Union-Management Cooperation,
Plant Efficiency, and Technological Change

Bulletin No. 908–10 UNITED STATES DEPARTMENT OF LABOR

Maurice J. Tobin, Secretary

BUREAU OF LABOR STATISTICS

Ewan Clague, Commissioner



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Letter of Transmittal

UNITED STATES DEPARTMENT OF LABOR,
BUREAU OF LABOR STATISTICS,
Washington 25, D. C., October 18, 1948.

The SECRETARY OF LABOR:

I have the honor to transmit herewith the tenth bulletin in the series on collective bargaining provisions. The bulletin deals with union-management cooperation, plant efficiency, and technological change, and is based on an examination of collective bargaining agreements on file in the Bureau. This bulletin was prepared by and under the direction of Abraham Weiss, with the assistance of Dorothy R. Kittner, of the Bureau's Division of Industrial Relations, Boris Stern, Chief.

EWAN CLAGUE, Commissioner.

Hon. MAURICE J. Tobin, Secretary of Labor.

Preface

As early as 1902 the Bureau of Labor Statistics, then the Bureau of Labor in the Department of the Interior, recognized the growing importance of collective bargaining, and published verbatim the bituminous-coal mining agreement of 1902 between the Associations of Coal Mine Operators of Pennsylvania, Ohio, Indiana, and Illinois and the respective districts of the United Mine Workers of America. Since 1912 the Bureau has made a systematic effort to collect agreements between labor and management in the leading industries and has from time to time published some of those agreements in full or in summary form in the Monthly Labor Review.

The first bulletin entirely devoted to collective bargaining agreements was published in 1925 under the title "Trade Agreements in 1923 and 1924." Similar annual bulletins were published in 1926, 1927, and 1928. These bulletins analyzed only outstanding agreements affecting certain industries and certain skilled crafts in which collective bargaining has followed a more or less established pattern.

No bulletins in this field were published by the Bureau between 1928 and 1942—a period during which collective bargaining first lost ground in the depression and then made rapid strides following the enactment of the National Labor Relations Act in 1935. The growth in trade-union membership from fewer than 4,000,000 workers in 1935 to more than 10,000,000 in 1942 not only resulted in a large increase in the number of collective agreements covering industries hitherto not included under collective bargaining, but also extended the scope and area of bargaining in individual industries. In recognition of this development, the Bureau's 1942 report on union agreements (Bulletin No. 686) dealt with provisions and clauses on particular labor-management problems rather than with the agreements of each union or industry separately.

The substance and character of collective bargaining agreements change continuously, and many of the clauses and provisions covered in Bulletin No. 686 underwent significant changes during the war emergency, as a result not only of the normal processes of collective bargaining but of the decisions of the National War Labor Board. New problems meant new clauses

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and new provisions. The Board also gave added impetus to certain forms of union security, and to certain practices, now deeply imbedded in the entire field of labor-management relations.

The liquidation of the Board, and the renewal of emphasis on free collective bargaining after VJ-day, led to a tremendous increase in the demand for information on specific current provisions in agreements. Urgent requests came from employers and unions, from the United States Conciliation Service, and from mediators and arbitrators engaged in settling or preventing labormanagement disputes. It was largely in response to these requests that the Bureau of Labor Statistics undertook to revise and bring up to date the material on union agreements.

In this revision two significant departures have been made: (1) Accumulation of data has made possible the use of a larger sample than was possible heretofore. (2) The information will be presented in a series of small bulletins, each stressing a major area or significant problem of collective bargaining. This will permit the material for each major problem to be published as rapidly as finished without waiting until all of the subjects of collective bargaining are analyzed. It will have the advantage of greater flexibility in handling specific requests for material from employers, unions, and the public. Some clauses are more or less stable and undergo relatively minor changes even over a considerable period of time and therefore need only occasional revision, whereas others undergo rather rapid change. Also, as new issues develop it will be possible to add new bulletins to the series without revising those already published.

The clauses used are designed to facilitate, but not to condition, the bargaining process. No special attempt has been made to determine the prevailing industry practice or the most frequently used provisions. The clauses are presented, not as models, but as a source of reference for those who participate in collective bargaining negotiations, by making available to them a wide variety of provisions on the specific subjects under consideration. An index of all the contract clauses quoted, with a brief description of each clause, is appended to each report.

This report, dealing with union-management cooperation, plant efficiency, and technological change, is the tenth in this Collective Bargaining Provisions series. The bulletins already published are as follows:

No. 908 Union Security Provisions.

No. 908-2 Vacations; Holidays and Week-End Work.

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- No. 908-3 Incentive Wage Provisions; Time Studies and Standards of Production.
- No. 908-4 Apprentices and Learners.
- No. 908-5 Discharge, Discipline and Quits; and Dismissal Pay Provisions.
- No. 908-6 Leave of Absence; Military Service Leave.
- No. 908-7 Promotion, Transfer, and Assignment; Lay-Off, Work-Sharing, and Reemployment.
- No. 908-8 General Wage Provisions.
- No. 908-9 Wage Adjustment Plans.

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Collective Bargaining Provisions

Union-Management Cooperation, Plant Efficiency, and Technological Change

Introduction

In most instances, the parties to a union agreement rely upon sound collective bargaining and the development of an effective procedure for settling employee grievances to produce harmonious labor relations, and thereby increase production and plant efficiency. Less frequently, one or both of the parties pledge cooperation in specific activities designed to achieve efficient, low-cost production. Such cooperation may be informal, or may function through a joint committee. Agreements rarely contain detailed plans for effectuating such cooperation.

Union-management cooperation connotes an active policy on the part of unions in cooperating with management under a collective bargaining relationship for the purpose of promoting the common interest of both management and the workers in the plant or industry. It usually involves participation by labor and management through joint committees in the elimination of wasteful methods of operation and plant inefficiency in general; in the introduction of new machinery or processes; in the formulation of programs to stimulate sales; in improving the competitive position of the plant. Less frequently it may involve the loan of union funds to the company, the services of union specialists in production problems, or collaboration for legislation favorable to the industry. Some cooperation clauses are general, providing for joint discussion of mutual problems outside the scope of the grievance procedure. Others reflect some particular facet of a production, manpower, or allied problem.

Union-management cooperation in improving productive efficiency is predicated on acceptance by the employer of the principle that the workers' jobs, earnings, and standards of working conditions will be safeguarded. Through such cooperation unions and employers attempted to remove from the sphere of collective bargaining opposition to technological change, by providing an opportunity for the workers to share in any resulting economies.

Plant Efficiency and Union-Management Cooperation

MANAGEMENT RESPONSIBILITY FOR EFFICIENCY

Provisions in union agreements dealing with plant efficiency may be directed chiefly or solely toward insuring management efficiency. This is most prevalent in plants operating under a piecework or incentive system where workers bear much of the burden of inefficiency. The earnings of pieceworkers are affected adversely by obsolete machinery and equipment; by inefficient routing of work and delays due to waiting for materials or machine repairs. Some union agreements therefore specifically make the employer responsible for maintaining modern and efficient working equipment and for providing adequate facilities and supervision.

1. Employer to Install Newest Machines

Members of the [association] shall install in all their shops the newest type of pressing machines and steam irons; and all irons must have attached to them the necessary springs.

Employer to Furnish Adequate Machinery, Working Room, and Supervision. Damages Assessed for Noncompliance. Employment of Management and Production Specialists Provided

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 for the workers the maximum period of continuous employment.

Each member of the association shall be bound by the rules and regulations heretofore or hereafter adopted by the parties hereto or promulgated by the impartial chairman to effectuate the above provision. If a member of the association shall fail or refuse to comply with any such rule or regulation, the union and the association shall, in the first instance, jointly investigate

any complaint made thereunder by the union and attempt an adjustment thereof. Upon their failure to agree, the matter shall be referred to the impartial chairman who shall decide the same upon the merits of the case, and shall determine the procedure to be followed by the member of the association in his shop to effectuate the above provision.

For failure or refusal by a member of the association to carry out the adjustment reached by the association and the union or the impartial chairman's decision, the impartial chairman shall assess damages against the defaulting member, which shall be based upon the nature and extent of the member's violation.

All such damages shall be turned over to the impartial chairman and kept by him in a special trust fund to be used towards the operation and maintenance of the special department attached to the impartial chairman's office to effectuate the standards above set forth.

The rules and regulations may be amended every 6 months by agreement with the parties hereto, or, upon their failure to agree, by the impartial chairman.

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. The special department shall be financed by the funds of the * * *, as provided in paragraph 8 [sales promotion] hereinafter set forth.

3. Maintenance of Sufficient Tool Cribs to Avoid Undue Waiting

Sufficient tool cribs shall be maintained to reasonably permit employees to get their tools without undue waiting. Wherever practicable tools including acetylene and gas torches furnished by the company for production will remain on the line between shifts and over week ends and holidays.

4. Improper Distribution of Unfinished Work, Resulting in Bottleneck, Not Permitted

No employee shall be permitted to have an excess of unfinished work while other operators capable of performing the required operation are idle, and a bottleneck with loss in production is resulting.

UNION AND EMPLOYEE RESPONSIBILITY AND PLEDGES OF COOPERATION

A number of agreements enlist the active support and cooperation of the union (and its members) in the maintenance and improvement of production and allied activities. Most of these union pledges are aimed at the elimination of plant inefficiency. Others are broader and reflect concern for the welfare of the industry as a whole. The union may assume certain specific responsibilities, such as: to prevent or not to condone restrictions on output; to correct inefficiencies of its members; to uphold company rules; to combat absenteeism; to conduct sales cam-

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paigns; to maintain plant safety and sanitation. The responsibility may be phrased in more general terms—the achievement of low-cost and efficient operations; the maintenance of profitable and productive efficiency; furtherance of the employer's interest. The union may also agree to cooperate in other acts not directly affecting production and efficiency, such as the prevention of theft or sabotage; protection of company property; public relations; etc.

5. General Recognition of Need for Cooperation

The company and the union jointly and publicly recognize that only by the establishment of cooperative and harmonious working relationships between the management and employees of the company, can full efficiency and economy of operation be achieved and the quality of products be maintained; and therefore both pledge themselves jointly to do all in their power to establish and maintain such a relationship.

6. Statement of Rationale for Pledges of Cooperation

The company agrees to continue the present practice of sincerely accepting the union as a legitimate factor in the success of the company's business and the union agrees, at all times, as far as lies in its power to further the interests of the company.

The company agrees that it will, at all times, be fair and just to its employees and to the union and the latter agrees that the company shall receive their full cooperation in maintaining operating efficiency.

The parties to this agreement regard their mutual cooperation as the mature effect of collective bargaining, realizing that it will promote conditions conducive to a higher standard of living, safe, better, and more healthful working conditions, security and continuity of employment for the employees.

The union recognizes that the wage scale and working conditions herein provided for are substantially above those prevailing in the * * * industry and that the maintenance thereof requires improved production and the greatest degree of efficiency on the part of the employees; therefore, the union agrees to cooperate with the company's representatives and supervisors toward obtaining the greatest amount of production and efficiency in the company's operations.

7. Detailed Pledge by Union for Itself and Its Members: Efficiency, Production, Quality, Conservation

Recognizing that the welfare of its employees and their opportunities to earn a living depend upon the success and prosperity of the company and further recognizing that the various wage increases provided for in this agreement are of a substantial nature, the union hereby pledges for itself and all its members—the employees of the company—that they will perform their work effectively and efficiently to the best of their ability, and will cooperate in the introduction or installation of such processes, machinery, changes in or introduction of new methods of operation, incentive pay plans or systems, and job classification and evaluation plans or systems as the company may introduce or put into effect for the purpose of better and more efficient operation to the end that the company may increase production

and reduce costs so that the company may adequately meet competitive conditions, and maintain employment * * *.

The union further pledges for itself and its members that they will fully cooperate in the following: The reduction of shrinkages of all kinds; in the saving of materials, tools, machinery, equipment and all company property by means of careful handling and use; in minimizing breakage and losses of any kind caused by careless handling; in maintaining a high standard of quality in all products through efficient and careful workmanship; in aiding in the enforcement of all factory rules, regulations, safety and health measures; and in cooperation to the best interests of the union and the company.

8. Union Pledge on Productivity, Economy, and Use of Machinery

In ratifying this agreement, the local union recognizes that a high level of wages can be maintained only by maintaining a high level of productivity. The union and its members will cooperate in attaining such a level of productivity as is consistent with the health and welfare of the employees. The union and its members will seek to assist in effectuating economies and the utilization of improved methods of machinery.

9. Cooperation in Working Out Production Problems to Meet Competition

The union agrees on behalf of its members employed by the firm to cooperate with the firm in working out all necessary production problems needed to enable the firm to produce merchandise of the type and price necessary to meet competition and to give all possible aid to the firm that it may hold all present customers and increase its accounts.

10. Union to Submit Written Recommendations on Efficiency and Production
The union agrees to submit in writing from time to time recommendations
for improving the efficiency and increasing the production of the plant.

11. Cooperation on Productivity: Specific Rules Listed

The union recognizes that a high level of productivity must be maintained in order for the company to pay this high level of wages.

The union and its members will cooperate in the following in order that the company may attain a high level of productivity:

- (1) A fair day's work from all employees of the plant measured on the basis of established standards.
- (2) Good attendance.
- (3) Smoking and cafeteria privileges must not be abused.
- (4) Cooperation between employees working different shifts so that there is a minimum of lost time when shifts change.
- (5) Careful and proper handling of all materials to prevent waste.
- (6) Adherence to all safety rules and regulations to eliminate lost-time accidents.

12. Union to Educate Members on Need for Methods of Increasing Production

The union recognizes the need for improved methods and increased output to make goods available at lower costs and agrees to cooperate with the company in suggesting and introducing methods for increasing production, and in educating its members on the needs of such methods, changes, and improvements.

13. Maintenance of Profitable and Productive Efficiency

The union agrees on behalf of its members employed by the firm to do its utmost to promote harmony and cooperation among its members to the end that profitable and productive efficiency shall be maintained in the shop, or shops of the firm at all times during the effective life of this agreement.

14. Union Cooperation on Efficiency in Recognition of Wage Increase

It is the intent of the union and the company to secure and maintain reasonable maximum production during the term of this agreement. In return to the company for the wage increase provided through these negotiations and recognizing the fact that [company] average hourly earnings are among the highest in the * * * industry, the union promises to cooperate with the company in achieving the highest level of employment and employee efficiency and performance.

15. Union Cooperation on Productivity Subject to Arbitration on Work Load Disputes

The employer and the union agree to cooperate to reduce absenteeism, to discourage loafing, to prevent waste and destruction, to eliminate frivolous grievances, and to enforce agreements.

The union agrees that all employees shall give their time and attention during working hours to the work of the company, and there shall be no solicitation of membership or collection of dues during working hours.

Consistent with the principle of a fair day's work for a fair day's pay, the union agrees to cooperate with management in its effort to increase employee effectiveness and productivity, provided that disputes concerning proper work-load assignments and proper compensation for increased productivity shall be subject to the grievance procedure of this contract, including arbitration. Any changes in compensation agreed to under this clause or established in arbitration shall take into consideration, in addition to increased productivity, the question as to whether the original work assignment constituted a normal day's work.

16. Union and Employees to Cooperate to Assure "Fair Day's Work"

It is understood that this fair day's work shall be expected from and given by the employees. The employees and the union will cooperate with the company in the maintenance of such standards.

17. Listing of Actions Contrary to Principle of Full Day's Work

The union agrees that every employee shall perform a full day's work and further agrees that:

- (a) The setting of arbitrary restrictions on production output by workers, or
- (b) The action of one or more union members in influencing or attempting to influence others to restrict their production, or
- (c) The limitation of production during study of new piecework prices for the purpose or with the result of setting an inflated rate, or
- (d) Any other action or inaction intended for the purpose of or having the result of causing piece rates to be set as to yield in earnings a higher amount than the average agreed upon between the parties as the fair yield, are each contrary to the principle of a full day's work.

18. Union Stewards to Discourage Practices Contrary to Efficient Operation

The union through its stewards will cooperate with the employer in the maintenance of employer's work standards and regulations, and discourage any operational practices which are contrary to efficient operation.

19. No Union Sanction to Restriction of Output

The union agrees that it will not sanction or condone the restriction of output of any employee below the performance of a reasonable day's work.

20. No Limitation on Production; Abuses to Grievance Procedure

It is agreed that there shall be no limitation on production of any of the employees nor shall the output of any machinery be restricted. In the event there is an abuse by either party of the foregoing provisions, the same shall be treated as a grievance and handled as such.

21. Union in Default on Pledge to Cooperate; Subject to Grievance Procedure

In order to further effectuate the purposes set forth in the preamble of this agreement, the union agrees that it will cooperate when called upon to do so by the company, and will aid in any manner whatsoever with the company's efforts to assure a full day's work on the part of its members, to aid in combating absenteeism and any other practices which restrict production, to eliminate waste in production, to conserve materials and supplies, to prevent accidents, and to improve the quality of workmanship; and in the event that the union interferes or fails or refuses to cooperate when called upon, the union may be considered to be in default under this agreement and subject to the grievance procedure set forth herein.

22. Union Support of Increased Productivity; Union to Discipline on Employer Complaint

It is recognized mutually by the union and the company that increased wages must be offset by increased productivity in order that the company may be kept in such a competitive position to enable it to provide the employees with high wages and an improved plane of living. The employer agrees to strive for the greatest economy of operation. The employees, individually, agree to strive through their best efforts to increase their productivity. The union agrees to do everything within its power to enforce its rules and regulations and, through advice, instruction and example, to maintain the highest standard of work. The union further agrees to take the necessary disciplinary measures where justified complaints are made by the employer against an employee.

23. Union Actively to Combat Slow-Downs

The union recognizes that its ultimate security is dependent upon the continued and increasing success of the company in a highly competitive field. The union, therefore, agrees that it will sustain the company in its efforts to increase employee productivity through such means as work simplification, employee transfer or assignment to maintain production, and improved machine efficiency. Furthermore, the union will actively combat indications of employee slow-down or interference with company efforts to increase productivity.

24. Cooperation in Maintaining Production Standards

The union will cooperate with fellow employees and the company in obtaining faithful and diligent effort and will cooperate in the maintenance of reasonable standards of performance.

25. Loafing or Part-Time Work Not to Be Defended

The union recognizes and agrees that efficient operation is essential to the well being of all concerned and that they will not attempt to defend loafing, part-time work or other conditions which interfere with the success of the business and place the welfare of employees and company alike in jeopardy.

26. Union Aid in Correction of Inefficiencies of Members

The union agrees to cooperate fully with the employer to endeavor to correct inefficiencies of members which might otherwise necessitate disciplinary action or dismissal from the service.

Definition of Elimination of Waste and Increase in Efficiency of Production

It is agreed that all employees shall make an honest and conscientious effort to eliminate waste and increase the efficiency and production. Elimination of waste, among other things, specifically means reducing broke, care of equipment, minimum amount of time wasted and careful and economical use of materials. It is further agreed that a constant increase in the efficiency of production is necessary to the healthful growth of the company and to maintain a proper competitive position of the company throughout the industry. Increase in efficiency of production means, among other things, cooperative effort toward finding easier, better, and faster ways of performing operations and the ready acceptance of higher production standards due to the improvements of the operation or methods.

28. Improved Performance Not to Affect Employee Earnings Adversely

The union agrees to cooperate with the company in achieving the union's promise of full worker productivity in order to meet production schedules established by the company. The company agrees that the union's promise of improved individual performance will have no adverse effect on the earnings attained through such worker productivity. The company recognizes the need for reasonable periods of relief and shall cooperate accordingly.

29. Union Will Not Seek to Place Company in Unfavorable Competitive Position

The union recognizes that competitive costs are of vital importance to running the mill steadily and furnishing regular employment and it will not seek to place the company in an unfavorable competitive position.

30. Union to Combat Absenteeism and Other Practices Curtailing Production

The union agrees to cooperate with the company and support the company's efforts to assure a full day's work on the part of employees whom it represents, and to combat actively absenteeism and other practices which curtail production, to support the company in its efforts to eliminate waste and

inefficiency, to improve the quality of workmanship, to prevent accidents and to promote good will between the company and its employees.

31. Employees Not Cooperating in the Introduction or Operation of New Equipment May Be Transferred to Lower Wage Classifications

Employees failing to meet properly set standards of production or quality or failing to satisfactorily handle the work on the job to which they have been regularly assigned (unless due to causes beyond their control or the standard is in dispute), or employees not cooperating in the introduction and operation of new equipment or new production methods, may be transferred to lower wage classifications or otherwise disciplined but shall have the right to have such penalty reviewed in accordance with the grievance procedure.

32. Employees to Assist Understaffed Departments, Subject to Appeal If Abused

The company and the unions recognize their joint responsibility to keep each department of the plant operating efficiently and fully-manned. To this end, the union agrees that employees should make every reasonable effort to keep their departments staffed, and in emergency conditions, to assist in other departments that are temporarily understaffed. The union reserves the right to make an issue out of any case in which any abuse of this section is claimed to exist.

33. Promotion of Welfare of Industry and Efficiency of Employer

The union shall cooperate with the employer to promote the welfare of the industry and the efficiency of the factory operations of the employer. The union further agrees that the terms of this agreement shall be binding on the international union and the local union to which the employees of the employer belong, and on each and every member of said local union who is now or who shall hereafter become a member thereof, provided, however, that no individual employee or member of the union shall be held financially liable under the provisions of this agreement.

Note: This is an association agreement.

34. Union Pledge to Further Employer's Interest

The union agrees at all times as far as within its power, to further the interests of the employer.

35. Union Publicity in Company's Behalf

The union hereby pledges itself and its members to discipline all members of the union, and to give their fullest cooperation in advancing the interest of the company, advertising through the usual channels that this is a union firm and to use its and its members' good offices in behalf of the company in every honorable manner.

36. Cooperation on Four Fronts: Company Rules; Plant Sanitation; Improved Methods; Conservation and Elimination of Waste

The union agrees to uphold the rules and regulations of the employer in regard to punctual and steady attendance, proper and sufficient notification in case of necessary absence, conduct on the job, and all other reasonable rules and regulations established by the employer. (Copy of present rules attached.)

The union agrees to cooperate with the employer in maintaining and improving safe working conditions and practices; in improving the cleanliness and good housekeeping of the departments, machinery and equipment; and in upholding the laws in reference to driving.

The union recognizes the need for improved methods and output in the interest of the employees and the business, and agrees to cooperate with the employer in the installation of such methods, in suggesting improved methods, and in the education of its members in the necessity for such changes and improvements.

The union recognizes the need for conservation and the elimination of waste and agrees to cooperate with the employer in suggesting and practicing methods in the interest of conservation and waste elimination.

37. Improvement of Products and Efficiency, Public Relations, and Sales

It is agreed that both employees and members of the management staff shall do everything within their power to—

- (1) Improve the products of the company.
- (2) Improve the efficiency of manufacturing.
- (3) Conduct themselves individually and collectively as to reflect favorably on the business, and improve the public standing of the company and the union.
- (4) Promote the sale of the company's products through grocery stores to the general public.

38. Union Pledge Includes Fostering Good Public Relations

The union recognizes the responsibilities imposed upon it as the exclusive bargaining agent of the employees, and realizes that in order to provide maximum opportunities for continuing employment and good working conditions, the employer must be in a strong market position, which means it must produce efficiently and at the lowest possible costs consistent with fair labor standards. The union, through its bargaining agency agrees to cooperate in the attainment of these goals. The union therefore agrees that it will cooperate in any reasonable manner with the employer to support its efforts to assure a full day's work on the part of its members; that it will combat absenteeism or other practices which might restrict production; eliminate waste in production; conserve materials and supplies; maintain the quality of workmanship; prevent accidents; and strengthen good will between the employer, the employees, the consumer, the union, and the public.

39. Union to Use Influence to Increase Business

The union further agrees to use its national influence wherever possible to increase the general business and profit of the firm.

40. Union Support on Sales

The union agrees that it will lend its support to the furtherance of sales activities.

41. Union to Promote Sale of Union Label Goods

The union agrees to furnish the employer, free of cost, its union label for all cigars or stogies manufactured by him under the terms of this agreement. The union further agrees to cooperate with the employer in promoting the sale of goods manufactured by him, bearing the union label.

42. Union to Report Sabotage and Theft. Guilty Persons Subject to Discharge

The union and its members agree to report to the company any acts of sabotage, willful damage to, or theft of, property or materials belonging to an employee, the company or the Government; the union further agrees that if any such acts occur it will use its best efforts in assisting the company and the Government to determine and apprehend the guilty party or parties. Any such acts of sabotage, willful damage, or theft, shall make the employee subject to discharge without notice.

43. Cooperation on Plant Sanitation

The parties hereto recognize their mutual interest to attain safety of employees, protection of property, equipment and tools, plant cleanliness, conservation of materials and supplies, reduce scrap and in general the securance of efficient plant operation on a sound and economical basis.

44. Care of Plant and Equipment

The union agrees to cooperate with the employer in maintaining and improving safe working conditions and practices, in improving the cleanliness and good housekeeping of departments and in caring for equipment and machinery.

45. Conservation and Elimination of Waste

The union recognizes the need for conservation and the elimination of waste and agrees to cooperate with the employer in suggesting and practicing methods in the interest of conservation and waste elimination.

46. Union Pledge on Quality Improvement and Observance of Listed Rules

The union pledges that it will cooperate wholeheartedly with the company in a concerted drive for better quality, and join the company in urging employees to be guided as follows:

- If you are in doubt about an order or instructions regarding gage, size, quality, or method of packing, check with your foreman before starting the job.
- (2) Inspect work received from other employees to see that no defective work is covered up or processed as it is better for us to catch faulty material than to have it show up in the customer's plant.
- (3) Extra selected should be flat, free from blisters, piece marks, oxide, ribs and waves.
- (4) Be careful to enter packed material correctly on packer's report.
- (5) Finishing roll crews are expected to cooperate fully with the roller as he is captain of the crew and can lead the crew to better quality and more production if he receives your support. Increased production and less friction will result if finishing roll crews will refrain from interfering with other crews.

47. Union Agrees to Uphold Company Rules

The union agrees to uphold the rules and regulations of the employer in regard to punctual and steady attendance, proper and sufficient notification in case of necessary absence, conduct on the job, and all other reasonable rules and regulations established by the employer.

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48. Union to Assist Company in Complying with Federal Laws

The union will assist the company in complying with the provisions of the Wage and Hour Law and other Federal regulations by reporting immediately to the company all alleged violations by either the management or employees.

49. Cooperation in Fair Trade Practices

All parties hereto mutually agree to cooperate fully in every legal and proper way to establish and maintain in the * * * industry and within the territory in which they shall operate a code of ethics and fair practices which will insure compliance with the specific terms of this agreement, and to direct their efforts individually and collectively as circumstances may warrant and justify to the elimination of unfair competition and destructive practices.

50. Union Assistance on Postwar Construction and Improvement Program

Recognizing that a continued increase in production, efficiency of operation, and improvement of products of the mill are essential to the successful and profitable operation of the company, the union and the company agree to cooperate in the attainment of these objectives.

The union and the company further agree to cooperate in carrying out a program of good housekeeping in the mill.

The union agrees to assist the company in every way in carrying out its postwar construction and improvement program. The company agrees that it will protect the job rights of its regular employees who may be assigned to work on the program.

51. Company to Cooperate in Union's Efforts to Promote Company's Welfare and Service Standards

The union agrees that its members included in this agreement will individually and collectively perform loyal and efficient work and undertakes to see to it that so far as reasonably possible to eliminate scrap and the waste of raw materials.

It undertakes that its members shall cooperate with the company at all times in promoting the welfare of the company and its service standards, and the company agrees to cooperate with the union in its efforts to achieve these results.

52. Collaboration on Charity Drives

It is understood that in cases where the company is cooperating with such organizations as the Red Cross, Community Chests, etc., in a program of soliciting voluntary contributions from its employees, it will collaborate with the union in developing a plan for such solicitation.

53. Prevention of Unnecessary Overtime

The union undertakes to cooperate fully with the employer in securing the observance of the time schedules set by the employer in preventing unnecessary overtime. To that end it will make every effort to see that the employees conform as closely as possible to such schedules and that in any case all routes return to the first point of unloading by the uniform final returning time set forth below.

JOINT UNION-MANAGEMENT RESPONSIBILITY AND COOPERATION

Some agreements contain provisions for effectuating unionmanagement cooperation by establishing joint committees or boards. Such committees are usually permanent, both sides are equally represented, and meetings are held at regular, specified intervals. Joint committees are generally advisory in character; some agreements appear to grant them additional authority, and others make no reference to their powers.

The scope of joint union-management committees varies from a single function or activity to a more inclusive jurisdiction. Some agreements, on the other hand, provide a separate committee for each specific function. Some committees are industry-wide in character; others cover only a particular plant. Some committees are authorized to consider any problem or matter of mutual interest. Others are limited to specific issues-plant production and efficiency; elimination of waste; improvement of quality; elimination of absenteeism; safety and sanitation; and suggestion systems. In certain instances, the scope is quite broad: Develop guaranteed wage or employment stabilization plans for the plant; study industry stabilization; the causes of stoppages; industry problems; the effect of multiple shift use of machinery on employment; develop and implement an industry promotion plan; develop a program to eliminate unfair, nonunion competition and practices undermining the industry's labor standards.

JOINT PRODUCTION COMMITTEES

54. Joint Production Committee and Production Pledge

The company and the union agree to maintain a labor-management production committee.

The parties hereto mutually agree the following production pledge shall be effective and remain in effect for the life of this contract:

It is the intent of the parties to secure and sustain maximum productivity per employee, consistent with the principle of a fair day's work for a fair day's pay. The union reemphasizes its agreement with the objective of achieving the highest level of employee performance and efficiency consistent with safety, good health, and sustained effort.

55. Labor-Management Production Committee to Effectuate Maximum Production

It is hereby agreed that a committee consisting of three (3) representatives of the company and three (3) representatives of the union to be known as the Labor-Management Production Committee, shall be established and meet periodically to discuss ways and means to effectuate maximum production, which is mutually desired. It shall also be a function of this committee to review the wage scale every three (3) months with a view to upgrading the employees in the lower brackets of the several classifications.

56. Joint Committee to Explore Cooperation to Increase Production

There shall be a union-management committee consisting of the union shop committee and representatives of the company for the purpose of increased production through creative cooperation. The said committee shall meet and explore the possibilities for an expanding field of cooperation between management and labor in the interests of increased production. The said committee shall establish procedure for the fullest cooperation in order to maintain harmonious relations, efficient shop discipline, safety and maximum production.

57. Joint Production Committee Modeled on War Production Board Plan

A labor-management production committee shall be set up, composed of a number of representatives of each of the parties hereto, not to exceed eight members each, in accordance with the plan laid down by the War Production Board or its successor. However, nothing herein shall be construed in any way to limit, modify or affect management's prerogatives as outlined in article XVII [Company Prerogatives].

Company Prerogatives

The management of the company's business (including the determination of the type products to be manufactured, the methods and processes of production and the location of its plants), the direction of its working force and the right to hire, lay-off and discharge employees are vested exclusively in the company. However, this exclusive prerogative shall not be construed as preventing the union from questioning as a grievance in the manner herein prescribed any act of the company which is regarded by the union as a violation of this agreement.

58. Joint Production and Administrational Committees Established in Connection with Plant-Wide Incentive Bonus Plan

Departmental or divisional committees shall be appointed or elected in the departments or divisions already agreed upon. These committees shall be composed of one management and one union representative and shall be designated production committees. The office group and the "B" group of engineering shall be excepted. A top committee shall be elected or appointed, composed of three management and a like number of union representatives. This committee shall be designated the administrational or screening committee.

Functions of Production Committees.—The production committees shall meet at least once each month or more often if deemed necessary for the specific purpose of discussing ways and means of reducing waste and increasing productive efficiency. Every effort shall be made to schedule in advance of such meetings a specific production problem which will be placed on the program for discussion. Committee members may call upon the services of those employees in the division for participation in the scheduled meetings who are most familiar with the specific problem outlined. In no event, however, may a committeeman call in more than two employees.

Likewise, it shall be the committeeman's responsibility to further record and explain all suggestions made by the employees in his division or department designed to increase productive efficiency or reduce waste. Discussion of grievances of any nature shall be prohibited. The functions of the production committee shall in no way conflict with the responsibilities and the duties of the duly-elected grievance committee. The grievance committeeman may, if he deems it advisable, attend all meetings of the production committee conducted in his department or the unit to which he belongs.

Accurate minutes shall be kept of the meetings of the production committee, which must record all suggestions designed to increase productive efficiency or reduce waste, together with their disposition of the same. An approved copy of the minutes shall be transmitted immediately to the administrational or screening committee.

Functions of Administrational or Screening Committee.—This committee shall screen out through joint discussion all suggestions that are designed to increase productive efficiency or reduce waste. Those that have been placed in effect at the production committee level shall be placed in the record and decisions shall be reached concerning those suggestions which have not been disposed of at the production committee levels.

AUTHOR'S NOTE.—These two committees are set up to function within the framework of a plant-wide efficiency bonus plan. The basis of the bonus plan is described in the agreement as follows:

The factor of labor costs to sales value which will include the sales in each specific month plus or minus inventory change in finished goods and goods in process is the base used for the participating efficiency bonus. Records of the past several years were used in the development of a ratio of labor costs to each dollar of production value. For each 1 percent of increase in productive efficiency as reflected in production value, a 1 percent participating bonus will be paid to each employee working under the plan.

JOINT SUGGESTION COMMITTEES

59. Committee to Establish Suggestion Procedures, Reviewable on 90 Days' Notice

The parties agree to establish union-management suggestion committees in each plant, consisting of two (2) members from the company and two (2) from the union. These committees shall jointly establish procedures for encouraging the submission of suggestions to increase production.

In the event that the union and the company should feel that the suggestions procedures are not satisfactory, either party may, upon ninety (90) days' notice given after * * * [date], re-open the provisions of article * * * for renegotiation.

60. Joint Study of Feasibility of Suggestion System

The company desires to receive suggestions from employees for improvements in operating methods and recognizes that a formal plan is necessary to the successful operation of an employee-suggestion system on a country-wide basis. It is agreed that the company and the steward's committee will make a careful study of employee suggestion systems to determine whether one mutually advantageous to the company and the employees might be developed for operation in this plant.

61. Joint Committee to Develop Suggestion Award System. Company Determines Amount of Award and Value of Suggestion

It is readily agreed by the company and the union that progress and advancement in the company, within our bargaining unit, is dependent largely upon constructive thinking and interest. For the purpose of stimulating ideas among the employees, it is mutually agreed that the best results will be obtained by using a sound and well-planned system of awards for suggestions leading to the reduction of operating costs; improvements of operating conditions or any other conditions; improvement of safety; advancement of operating efficiency or helping to guarantee continuous service to the public.

- (a) The company and the union agree that a joint committee composed of six members—two from [name of union] local * * *, one from [name of union] lodge # * * *, and three from the company—be created for this purpose. The committee will study and develop a system of awards for meritorious employee suggestions.
- (b) The amount of money to be paid and the value of the suggestion to be finally determined by the company.

JOINT SAFETY COMMITTEES

62. Joint Industry Safety Committee. Power to Arbitrate

In order to carry out the intent and purpose of the agreement affecting the Mine Safety Code, it is agreed that from time to time joint consultations shall be had with the U. S. Bureau of Mines looking toward review and appropriate revision of the Mine Safety Code.

There is hereby established under this agreement a joint industry safety committee composed of four members, two of whom will be appointed by the mine workers and two of whom will be appointed by the operators, whose duty it shall be to (1) arbitrate any appeal which is filed with it by any operator or any mine worker who feels that any reported violation of the Code and recommendation of compliance by a Federal coal mine inspector has not been justly reported or that the action required of him to correct the violation would subject him to irreparable damage or great injustice; and (2) to consult with the U. S. Bureau of Mines in accordance with the provisions of section (c) above.

63. Joint Safety Committee. May Adjust Safety Disputes, Subject to Grievance Procedure

The company agrees to maintain a health and safety committee consisting of two (2) members of the union who shall be the two ranking members of the shop committee, and two representatives of management.

Duties of the Health and Safety Committee:

- (a) To meet at least once a month and to make weekly inspections of the plant including first-aid and medical departments.
- (b) To make recommendations for the correction of unsafe and harmful conditions and the elimination or control of conditions hazardous to the health and safety of the employees.
- (c) To review and analyze all reports of industrial injury and illness, to investigate cause of same, and to recommend standards for continued employment or reemployment of employees suffering disabilities or illness.

- (d) To aid and assist in the administration of any group insurance prepayment or benefit plan wherein the company is a contributor; and to inspect the handling, distribution and sale of food and refreshments in the plant.
 - (e) To promote health and safety education.
- (f) To negotiate and adjust all disputes arising under health, safety, and compensation, subject to grievance procedure.

The union agrees that it will endeavor to have its members observe all safety rules.

Should an employee's classification be changed by reason of disability and a dispute arise therefrom, it shall be referred to the health and safety committee for negotiation. All disputes arising under health, safety, and compensation, shall be referred to the health and safety committee for negotiation and adjustment, subject to grievance procedure.

The company agrees to take reasonable precautions and provide and maintain reasonable safeguards for the purpose of protecting the employees from occupational disease or injury.

The company agrees to comply with the laws of the State of Michigan regarding medical care, hospitalization, and compensation for any of its employees.

64. Company Makes Every Effort to Comply with Joint Safety Committee Recommendations

The company agrees to take every reasonable precaution at all times to protect the health and safety of its employees.

There shall be a six (6) man safety committee composed of three (3) men appointed by the company and three (3) men appointed by the union.

This committee shall meet once a month and make recommendations to the company concerning the health and safety of the employees and the company will make every effort to comply with such recommendations.

65. Recourse to Grievance Procedure If Majority Recommendation of Joint Safety Committee Not Carried Out

A safety committee shall be created consisting of three employees and three representatives of the company whose function it shall be to cooperate with the company in promoting safe workmanship and working conditions.

The safety committee shall hold regular meetings every 2 weeks for the purpose of effectuating safe practice, receiving and considering safety suggestions, and discussing the means and methods of maintaining safe working conditions and equipment. The safety engineer may attend such meetings.

The committee shall keep permanent minutes of its meetings which shall record the action taken upon all safety suggestions presented to or considered by the committee. Such minutes shall be open to inspection by the company and the union.

In the event a recommendation with respect to safety conditions, concurred in by a majority of the entire committee, is not carried out, the union may have recourse to the grievance procedure.

Meetings of the safety committee shall be held between shifts, except on request of the company. The employee members of the committee shall be paid at their respective regular wage rates for the time spent in attendance at such meetings, if not held during the members' regular working hours but not to exceed one hour's pay for each meeting.

If an inspection of a particular place becomes necessary in order to clear up conflicting reports, the safety engineer will arrange for such inspection by himself, together with at least two employee members of the safety committee.

If the safety committee shall determine at a regular meeting at which a quorum is present that an inspection of some portion of the mine or plant is advisable, such inspection may be made on company's time, but subject to the following qualifications:

Such inspections shall be limited to not more than one each calendar month and not to exceed four (4) hours' time.

The company shall be given notice of the contemplated inspection and the safety engineer, foreman, shift boss, or other designated representative of the company, familiar with the area or location to be inspected shall accompany the committee upon such inspection.

The safety committee may designate certain employees throughout the mine or plant to act as safety men in their respective departments or mine levels. The duty of the safety man shall be to report to the safety committee from time to time with respect to safety conditions in or on his department or level, but he shall not leave his work or his working place during working hours for the purpose of inspecting conditions, except with the permission of his shift boss.

66. Joint Safety Committee Not to Handle Grievances

A safety committee consisting of three employees designated by the union and three management members designated by the company shall be established in each division. The safety committee shall hold monthly meetings at times determined by the committee, preferably outside of regular working hours. Time consumed on committee work by committee members designated by the union shall not be considered hours worked to be compensated by the company. The function of the safety committee shall be to advise with mine or plant management concerning safety and health matters but not to handle grievances. In the discharge of its functions, the safety committee shall: consider existing practices and rules relating to safety and health, formulate suggested changes in existing practices and rules, and recommend adoption of new practices and rules. Advices of the safety committee, together with supporting suggestions, recommendations, and reasons, shall be submitted to the general superintendent for his consideration and for such action as he may consider consistent with the company's responsibility to provide for the safety and health of its employees during the hours of their employment and the mutual objective set forth in subsection * * *.

67. Detailed Industry-Wide Safety Cooperation Program

That a broad educational program on safety be instituted in the * * * industry and that the employer and the union be jointly responsible for the success of this educational work.

That every possible medium of education be used such as poster, pamphlets, newspaper articles, pictures, motion pictures, radio programs, and the closest cooperation between the safety divisions of the respective State industrial accident departments.

That the State industrial safety divisions participate fully in the educa-

tional program and be able to assist and advise local safety committees on all phases of the safety committee's work.

That the States involved furnish to employer, union and safety committee, statistical information on accidents in such detail and character as is possible and proper to evaluate safety experience in the industry. The [union] and the * * * Industrial Relations Committee, Incorporated, will prepare and present to the several agencies above referred to, an outline of the kind of statistical information required.

That the employer assume responsibility for thoroughly educating supervisory personnel and employees in the fundamentals of accident prevention, to the end that wherever equipment, methods of operation and unsafe practices may be the cause of accidents, such hazards be reduced to the lowest possible minimum. Also that supervisory personnel be made aware of the tremendous part the human element plays in accident prevention and safety work, so that they will not only increase their own contribution to the reduction of accidents resulting from human failure, but be in a position to assist the workers under their supervision to do the same.

That the union assume the responsibility for using its organizations' facilities to the greatest extent possible through the education of its officers and membership in reducing mechanical hazards, unsafe practices, and accidents which arise from these sources. The union also agrees to use its facilities for educating its membership so that they will work safely, take no unsafe chances with their own persons, as well as that of their fellow workmen.

There shall be established a safety committee not to exceed five from the union and five from the employer.

In logging operations employing two or more sides, or in sawmills of three or more departments, the committee recommends that departmental committees be established for each department, one member representing the employer and one member representing the union. In such instances, the safety committee as provided for in B-1, shall coordinate the duties and responsibilities of the departmental committees. Membership on the safety committee will be elected from the departmental committeemen by the respective parties.

The union agrees to select its safety committeemen and departmental committeemen from the employees of the firm involved.

All safety inspections or investigations shall be made jointly by employer and union safety committee representatives.

In operations or plants where the departmental plan is not used, the union members of the committee shall select their representative and the employer members of the committee shall select their representative to make investigations and inspections.

One meeting a month shall be held by the safety committee. The date, hour, and place of meeting shall be determined by the employer. Temporary changes in the date and hour for single meetings may be made by joint action of the safety committee. Time spent in safety meetings by union committeemen shall be paid for by the employer at straight or overtime rates, whichever would be applicable under existing contracts, laws, and regulations.

The committee recommends a standard agenda for safety committee meetings. This standard agenda to be the form used by the accident prevention division of the State industrial accident commission of the State of * * *

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and including in this agenda an additional item that will provide that the safety committee make every practical effort toward a follow-through and checking up on all injured workmen, as to how well they are progressing; if they are receiving satisfactory medical care, satisfactory hospital care, and workmen's compensation. If the injured workman has suffered a major injury that will prevent him from returning to his old job, what steps are being taken to secure rehabilitation and training for the injured workman on jobs within the industry or other lines of work outside the * * * industry.

The Crosby type of inspection form be adopted for use in making safety inspections. Such form shall translate the safety codes, governing the * * * industries in the State in which the plant or operation is located, into items for checking when making the safety inspections.

In making safety inspections each piece of equipment and all other matters commonly involved shall be inspected. A complete inspection of the operation shall be made at least once during each month and between the 10th and 20th of the month. However, any authorized inspection of any department or on any item made between the 10th and 20th of the month shall be regarded as compliance with the inspection program for that particular department or item.

Unsafe conditions, when reported, shall be inspected immediately by the safety committee or by someone designated by the committee to make such investigations, if the committee agrees such immediate investigation is practical. In the event the committee decides no investigation is necessary, it shall give its reasons to the party making the report.

The safety committee of each operation will make investigations or studies of accidents due either to mechanical causes or unsafe practices. Such investigations or studies shall be made if the good judgment of the committee dictates and determines.

It is recommended that a uniform accident investigation report form be established for the use of the operations in the States of * * * and * * *. This form to be made in triplicate for each investigation, a copy to go to the union, the employer, and the State department.

In the event the safety committee disagrees upon questions relating to safety covered by State laws and safety codes, rules and regulations issued thereunder, then that question shall be referred to the proper State department of the State in which the plant or operation is located for its decision in accordance with the laws of the State and safety codes, rules and regulations issued thereunder; and any such decision thus rendered shall be binding upon both parties.

Accident investigation report forms and inspection report forms will be furnished to * * * firms which have accepted the provisions of the Workmen's Compensation Law in the form approved by the * * * State industrial accident commission.

Those * * * firms which have rejected the provision of the Workmen's Compensation Law shall provide their own forms.

Pending expected similar action by the * * * department of labor and industries, * * * firms who are parties to this agreement shall provide their own forms.

All forms used by parties to this agreement shall be standardized in accordance with the provisions of article C-2 Meetings, D-1 Inspections, and E-2 Investigations.

JOINT EMPLOYMENT STABILIZATION COMMITTEES

68. Joint Committee to Develop Guaranteed Wage Plan

Upon the execution of this agreement, the parties agree to appoint appropriate committees, who shall collaborate with each other with a view toward developing and submitting for early adoption a guaranteed wage plan.

69. Development of Employment Stabilization Plans and Elimination of Multishift Operation

The company and the union agree that stable employment, i.e. steady and full work, is a basic requirement for successful and efficient operation. Therefore the parties agree as to the following definitions, conditions, and objectives:

Definition of Employee Status

Employees will be designated as "probationary," "temporary," or "permanent." A probationary employee is an employee with less than six (6) months of continuous service. A temporary employee is an employee who has been employed for a specific assignment of limited duration. A permanent employee is an employee who has been employed on an open assignment and who has successfully passed through the probationary period as above defined.

If a temporary employee, as defined above, is assigned to an open job at the expiration of his temporary assignment, the period of service on the temporary work shall be credited to his probationary period as outlined above.

Equalization of Work

- (a) All work shall be divided and distributed equally and equitably among the permanent productive workers in the respective departments and crafts as far as practicable, having due regard to the necessity of keeping the cost of production as low as possible and to increase the company's business.
- (b) A joint committee, known as the Job Stabilization Committee, will be formed to develop employment plans for the purpose of assuring to qualified workers the maximum opportunity for steady employment. In developing these plans, the committee shall give attention to considerations such as:

Length of service.

The possession, acquisition or willingness to acquire more than one skill or the knowledge of more than one operation.

The ability and willingness to work in more than one job.

Evidence of constructive attitude as indicated by attendance, cooperativeness, and willingness to train others.

(c) The Job Stabilization Committee will also study the problem of second and third shift work and other over-all problems for the purpose of developing sound and practical plans, having due regard for the over-all problem of the company's operations.

Outside Purchases

In exercising its recognized function to purchase from the outside goods or services produced in its auxiliary departments, the company agrees that stabilized employment opportunity in the auxiliary departments is an impor-

tant factor in reaching a decision concerning such outside purchases, and shall therefore be considered as well as the financial and competitive advantages involved in such outside purchases.

Absenteeism

Having agreed that absenteeism is detrimental to their joint interests, the parties agree to set up such procedures as may be necessary for the effective control of absenteeism, with the desired objective of reducing plant absenteeism to a rate not exceeding 4 percent for the men and 6 percent for the women. Specifically, the procedure shall provide for the review of cases of excessive absence, as defined by mutual agreement, and such action taken as has been prescribed in an agreed-upon procedure.

Training

Recognizing that the company's production schedules can only be met by establishing an adequate working force and with consideration of turn-over, upgrading, and employee terminations, the union agrees to the necessity for constant attention to training and employee development for the purpose of stabilizing production. Training programs are the full responsibility of the company in order to meet production schedules and objectives in any department of the plant. The company will make every effort to advise the union in advance of its plans for the training and development of new and present employees, and the union agrees to cooperate in such a manner that this problem may be approached aggressively with no ill effect upon production objectives and accomplishments.

Labor-Management Committee

The Labor-Management Committee will continue to function in line with the principles laid down at the time of its establishment, dealing in all matters of a cooperative character.

70. Joint Advisory Committee for Industry Stabilization and Disputes and Industry Problems Not Otherwise Adjusted

The parties agree in order to effectuate the general purposes of this collective labor agreement and to bring stabilization to the industry that a labor-management committee be set up composed as follows: Three (3) members of the union, three (3) employers, and a nonvoting chairman. The labor-management committee shall be an advisory body. All disputes and problems in the industry which cannot otherwise be adjusted shall be submitted to this labor-management committee which shall meet regularly, and the decision issued by majority vote of the committee shall become binding in all matters unless either party shall submit the issue for arbitration to the impartial chairman within forty-eight (48) hours after notice of the labor-management committee's decision.

MULTIPURPOSE JOINT COMMITTEES

71. Economy, Safety, and Community Functions

The labor-management committee shall be set up consisting of five (5) employee representatives of the union and five (5) representatives of the company.

The committee will meet monthly and shall concern themselves with matters of the following general nature:

- (1) Improve employee relations and increase operating efficiency by promoting cooperation in effectuating economy moves.
 - (2) (a) Promote safety practices and the observance of safety rules.
- (b) The committee, or a properly appointed subcommittee, may, at intervals, make safety inspection tours and recommendations on safety measures.
- (3) Participate in community functions that involve the employees and the company as a body.

The five (5) employee-representatives of the union serving on the labor-management committee shall be given the privilege of working the first shift on their assigned operations during their terms of office. In case of loss of time from work for duties connected with the labor-management committee, employees shall be compensated at the rate of their average hourly earnings.

72. Production and Materials Conservation

The company agrees to the creation and to the continuance during the life of this agreement of a joint labor-management committee for the purpose of improving production and of conserving materials.

73. Suggestions, Working Conditions, and Production. Chairmen Alternate

There may be established hereunder for the life of this agreement a committee to consist of seven (7) representatives of the employer and seven (7) representatives of the union, which shall meet at the call of the joint chairman at such times as they shall specify after 5 p.m. to discuss suggestions from employees, questions of working conditions and production (but not grievances not concerned with production) and to make such recommendations to the employer in connection therewith as the committee may agree upon. An employer and a union representative shall be designated as joint chairmen and shall alternate in presiding over meetings.

74. Multipurpose Joint Plant Committee

The parties hereto agree to cooperate to reduce absenteeism, to prevent waste or destruction and to improve the efficiency of the business. A special committee, made of representatives of the union and representatives of management, not to exceed four from each, will be set up to effectuate this provision.

This committee shall meet from time to time to give consideration to such matters as the elimination of waste in 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 safeguarding of health; the prevention of hazards of life and property; and the betterment of employment conditions.

75. Multipurpose Joint Plant Committee Participates in Grievance Adjustment

There is hereby created the labor-management committee which shall be composed of three members representing the employees and three members representing company. This committee shall meet once a month, at a time

outside of regular working hours. Special meetings may be called by either party giving to the other seventy-two (72) hours' notice.

The committee is formed for the following purposes: (a) obtaining prompt attendance and reducing absenteeism; (b) obtaining increased productivity; (c) reducing rejections and costs; (d) maintaining good deportment; (e) creating better conditions in the plant for general health and cleanliness; (f) considering constructive suggestions and criticisms of all activities in the plant to the end that better relations shall exist between the company and its employees, and to secure continuous employment; (g) participating in the settlement of grievances as herein provided.

76. Multipurpose Joint Industry Committee: Study Industry Problems, Relations Between Parties; Effect of Multishift Use of Machinery on Employment; Business Conditions; Study and Administer Apprentice Program; Foster Dust-Removal Devices

A conference committee shall be created consisting of six (6) members, three (3) to be selected by management and three (3) to be selected by the [union]. This committee shall meet every three (3) months or oftener as problems arise at the call of the chairman.

The duties of the conference committee shall be as follows:

It shall study problems of the industry to develop ideas to promote better business and more employment.

It shall study the relations between management and labor so as to recommend changes in future agreements which will be beneficial to both parties in avoiding unnecessary industrial disputes.

It shall settle disputes between any manufacturer and the business agent concerning the interpretation of this or any other agreement which is in force. Such disputes must be submitted to the committee within forty-eight (48) hours after they arise. All parties concerned shall be represented at the hearing. A mutual decision must be reached to be binding.

It shall study the apprenticeship requirements of this agreement for the purpose of making recommendations in future agreements for improving the apprenticeship system.

It may modify the apprenticeship provisions of this agreement when an apprentice shows inability or obvious lack of skill in any particular phase of his training schedule. It shall see that apprentices are given proper opportunity to become efficient tradesmen. It will advise apprentices to change their occupation when after due trial they do not appear qualified for their trade. Both the employer and the apprentice will be heard by the committee when questions of this kind are being considered.

It shall study whether unemployment is unnecessarily caused by the operation of the contour or any other machine for more than one (1) shift, in order that it may recommend what disposition should be made in this agreement, of the option as provided in article XVI [shifts].

It shall make recommendations for the solution of emergencies which may arise and which are not specifically covered by this agreement. Such recommendations must be accepted by each party to this agreement before becoming effective.

It shall study business conditions so that if an emergency arises it may make recommendations as to changing this agreement. Such changes must be ratified by both parties to this agreement before becoming effective.

It shall be the duty of this committee to advance and assist in the development, perfecting and use of dust removing devices and proper maintenance of all suction equipment, in general, to improve in every possible way general working conditions for the mutual welfare of both employer and employee.

It shall also assist in any way the industrial disease commission of the State of * * * because by such cooperation employer and employee will soon achieve perfection in elimination of dust in the granite industry.

77. Joint Industry Committee to Eliminate Inequities; Stabilize Industry; Establish Uniform System of Setting Piece Work Rates. Ninety-Day Time Limit

The employers and the union agree immediately upon conclusion of these negotiations to establish a joint committee composed of an equal number of union and employer representatives for the purposes of (a) surveying and studying methods for the elimination of inequities and stabilization of the industry, and (b) establishing a uniform, equitable system of setting piece-work rates or modifying or eliminating present piece-work systems, with the understanding that the joint committee shall complete these assignments within 90 days of the date of signing of this agreement, unless the time is extended by joint agreement.

Note: This agreement covers a number of individual firms.

78. Board of Stability and Control: Power to Investigate Observance of Labor Standards; Check and Verify Required Employer Reports; Investigate Nonunion Production; Adopt Program to Eliminate Unfair, Nonunion Competition and Practices Undermining Industry Labor Standards. Unanimous Board Decision Binding on Parties. Disputes Arbitrable

The parties hereto have heretofore created a board of stability and control, consisting of one representative of the union and one representative of each association under collective agreement with the union. The said board is hereby continued and is vested with the following permanent duties, powers, and functions:

- (a) To investigate and ascertain whether the labor standards and other provisions prescribed in this collective agreement are being faithfully observed by the members of the council and uniformly and equally enforced.
- (b) To check and verify weekly the data, reports, etc. now required to be filed by members of the council under articles Thirty-first and Thirty-second hereinabove, and which the members of the council may be required to file under this agreement by decision of the board or the impartial chairman on the union's proposal hereinafter set forth, and the data, reports, etc. which truck owners under collective agreement with the joint board of [union] are required to file under their agreement with the said joint board.
- (c) To investigate and make available the facts with respect to nonunion production of garments in the States of * * * , and to adopt a valid program, the purpose of which shall be to eliminate unfair competition afforded by such nonunion firms. Such program may be changed from time to time to accommodate new or different situations.
 - (d) To ascertain the sources where garments covered by this agree-

ment are being manufactured under labor standards inferior to those established in the industry by existing collective agreements with the union, and to ascertain the wholesalers and retailers who purchase garments from such sources or otherwise deal with them, and to adopt a valid program which will curb the practices of purchasers who (1) create unfair competition between manufacturers, jobbers, contractors, and submanufacturers who are in contractual relations with the union and manufacturers, jobbers, contractors, and submanufacturers who manufacture garments under substandard and nonunion conditions, and/or who (2) induce the breach of existing collective agreements which manufacturers, jobbers, contractors, and submanufacturers have entered into with the union, and/or (3) whose practices undermine or cause deterioration of the labor standards and conditions of work prevailing throughout the industry.

(e) To perform such other duties and functions which may be assigned to it by decision rendered under and pursuant to paragraphs numbered (2), (3), and (4) of this article forty-sixth; to administer all other programs formulated thereunder, unless otherwise delegated by the board and/or impartial chairman, and to perform such other duties and functions as the members of the board may unanimously agree upon.

The board shall meet at least once a week on stated days to consider the matters embodied in the above provisions. If such meetings are not held on the stated days, no matter what the reason therefor may be, any member of the board shall have the right to present any matter which comes within the above provisions directly to the impartial chairman for his consideration and he shall thereupon assume the duties of the board with regard thereto.

Every decision which the board shall make in connection with the above, to be effective, shall be unanimous and shall be in writing signed by each member of the board. Upon the board's failure to agree upon any of the matters before it which require decision, the impartial chairman shall decide the same, after hearing upon notice to all the members of the board. The decision of the board, if it be unanimous, or the decision of the impartial chairman, if there be disagreement by the board, shall be binding upon the parties thereto and their members.

The board of stability and control is also vested with the duty, power, and function to adopt such provisions additional to those now contained in this collective agreement which may be found to be necessary to insure more faithful performance of the collective agreement by members of the council and to provide for more uniform and more equal enforcement of the collective agreement.

79. Separate Quality, Waste, and Production Committees

It is agreed that the union will appoint three (3) members to meet with three (3) management representatives on the following committees:

- (a) Quality Committee.
- (b) Waste Committee.
- (c) Production, Efficiency, and Cost Committee.

These committees shall meet monthly or as often as deemed necessary and will recommend steps for the improvement of quality, elimination of waste, and the improvement of production, efficiencies, and costs.

GENERAL PURPOSE JOINT COMMITTEES

80. General Trade Problems Affecting Labor Conditions

The parties hereto shall appoint a trade problem committee which shall consist of three representatives of each of the parties hereto. Said committee shall consider general trade problems affecting labor conditions and recommend such modifications in the industrial relationships between the parties hereto and their respective members as the committee may unanimously agree upon. The said trade problem committee shall meet at least once a month for the purpose of considering such trade problems as may be regularly brought before it.

Note: This is an association agreement.

81. Matters of Mutual Interest, Other Than Grievances

As promptly as possible after the execution of this agreement the union shall designate three (3) members and the company shall designate three (3) members who shall constitute an industrial relations committee which shall meet for the purpose of discussing matters other than grievances which may be of mutual interest to both parties.

The members of this committee shall be granted such time off with pay as may be required to attend meetings of this committee or to perform their duties as members of this committee.

This committee shall meet at least once a month at a mutually agreeable time and place for the purpose of conducting such business as may come within the scope of its activities. Members shall receive notice of said meeting at least forty-eight (48) hours ahead of the time set for the holding of such meetings.

Minutes of each meeting of the industrial relations committee shall be prepared by someone designated for such purpose by the company and shall be signed as promptly as possible after the close of the meeting by a representative of the company and a representative of the union.

Two copies of the minutes of each meeting so signed shall be delivered to the company and to the union within three (3) days following the day on which the meeting was held.

The minutes of each meeting shall contain at least the following data.

- (a) Date and place of the meeting.
- (b) Names of all persons present.
- (c) A full report of all matters discussed and the conclusions reached at the meeting.

This industrial relations committee shall not supersede the activities of any other committee of the local union or the company, and does not have the power to bind either the union or its members or the company to any decision or conclusions reached in their discussions. The committee shall have the power to make recommendations to the local union or the company with respect to its discussions and conclusions.

82. Uniform Industry Standards

There shall be organized and established a board of statistics composed of an equal number of representatives from the association and from the union. This board shall gather such statistics and records and other information as affects the industry, and shall further undertake to arrive at uniform standards in the industry.

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83. Promotion of Employees' and Industry's Welfare and Observance of Contract

It is agreed that there shall be created a joint council, from the industry to be known as the Stone Industry Industrial Committee, and from the labor groups to be known as the Federated Council of Limestone Trades. It shall be the duty of these committees to use their good offices in promoting the welfare of the employees and the industry and the observance of this contract. The meetings of this joint committee shall be held on request of either party at time and place agreed upon.

84. Quarterly Meetings on Matters of General Mutual Interest. Specific Grievances or Complaints Barred

The parties hereto shall set up a joint conference board composed of representative employees and union officials chosen by the union and representative executives chosen by the employers. Said joint conference board shall meet, unless otherwise agreed upon, once each 3 months to discuss matters of general mutual interest. Discussion of specific grievances or complaints shall be barred. It is the object and expectation that such discussion will result in further developments of friendly relations between employers and employees, the exchange of ideas of mutual advantage, and a more comprehensive understanding by each of the problems of the other. This clause shall be deemed a separate and independent one, so that failure to hold such meetings shall not be considered a violation of this contract.

85. Joint Board Has Authority to Form Plans and Procedures to Administer Agreement More Effectively

The association and the union shall designate an equal number of representatives who, together with the impartial chairman acting in an advisory capacity only, shall constitute the administrative board. The said Board shall have full power and authority by unanimous vote, to formulate plans, policies and all necessary methods of practice and procedure to more effectively administer the provisions of this agreement consistent with the full and true intents and purposes thereof. This board shall meet at least twice in each calendar year during the term of this agreement.

OTHER COOPERATIVE COMMITTEES

86. Joint Industry Promotion Plan

The parties hereto declare it to be to their mutual benefit and interest to maintain the dress industry in the New York market in a healthy and prosperous condition. The affiliated agrees on behalf of its members that it will, for the term of this agreement, together with the * * * and the * * * conduct a cooperative promotion campaign and establish a higher degree of efficiency in their shops, with the objective of increasing the volume of production of the New York market, improving further the quality of its product, and offering even better values to the consumer, by publicizing the outstanding position in the field of style, fine workmanship, and sound values of the New York market, by stimulating consumer demand in the United States and elsewhere, and by establishing New York as the fashion center of the world. Such a campaign will result in increased business to the members of the organized dress industry, and in material advantages

to the members of the union employed by them who will derive therefrom greater continuity of employment and increased annual earnings. All of the provisions herein relating to the promotion program are, therefore, for the mutual benefit of the workers in the industry who are members of the union and of the members of the associations which have entered into collective agreements with the union, and constitute a consideration for this agreement. The faithful performance thereof by the members of the affiliated is of the essence of this agreement.

The * * * , the Board created under the provisions of the collective agreement between the parties hereto, dated * * * , and on which the union and the affiliated have representation, shall continue its corporate existence and shall continue to exist and function in the dress industry during the term of this agreement under the bylaws, rules and regulations heretofore adopted by it and any amendments which may be made thereto not inconsistent with the general purposes hereof.

The costs and expenses of the promotion program shall be defrayed through the monies which the * * * now has in its treasury subject to the terms of the agreement entered into between the parties hereto on the [date] and through such other voluntary contributions which may be made to it. Such monies shall be apportioned equally to each year of the term of this agreement and shall be budgeted accordingly.

No monies of the * * * shall be used for any purpose other than to promote the dress industry as herein set forth and to pay the incidental administrative expenses thereof, except that the sum of \$20,000 per year shall be allocated to defraying the expenses of the special department attached to the impartial chairman's office whose duties shall be, upon request of member of the industry, to counsel and advise and render such other assistance to individual members of the organized dress industry which will aid and facilitate their efforts to effectuate the standards of efficiency set forth in paragraph eleventh hereof.

87. Joint Committee to Study Competition with Aim to Expand Business in Locality

It is mutually agreed if the employer makes a request therefore, that the parties will appoint a joint committee consisting of an equal number of members to make a study and survey of the [name of product] manufacturing business, particularly from the standpoint of competition from other manufacturing centers for the purpose of expanding and enlarging the [name of product] industry of [city], the committee to report its findings and recommendations to both parties for action.

88. Joint Commission to Study Causes of Stoppages

A commission to be composed of six (6) manufacturers or their representatives and six (6) union representatives to be chosen from the various areas in [State] covered by the respective locals of the union, shall be set up immediately upon execution of this agreement, to study the causes of stoppages and to make recommendations for measures to eliminate such stoppages. The commission shall render a report to the union and to the firms having contractual relations with the union within ninety (90) days after its creation.

89. Joint Committee to Consider Commissioned Drivers' Problems. Disputes
Not Arbitrable Nor Ground for Work Stoppage

A joint committee shall be appointed to consider commissioned drivers' problems and to take such action as is mutually agreed upon, provided that disputes arising in connection with such matters shall not be subject to arbitration, and shall not be a ground for strikes, stoppages, or lock-outs.

90. Joint Advisory Board on Operation of Consumer Facilities in Company Town. Majority Decision Binding on Company. Arbitration Permitted, With Specified Exceptions

It is understood that the mercantile department consists of the barber shop, retail stores, the * * * club, theater, service station, and pool hall.

The mercantile department shall be operated as a nonprofit department, with the understanding that all costs, including overhead costs necessary to the operation of said department, shall be paid out of the income, so that no expense shall be borne by the company.

A mercantile advisory board shall be created which shall consist of three (3) union representatives and three (3) company representatives. Said board shall:

- (a) Have access to the books of account and records of the mercantile department;
- (b) Investigate and recommend to the management with respect to methods of purchase and sources of supply of the commodities sold by said mercantile department;
- (c) Investigate and recommend to the management with respect to the price to the consumer of the commodities sold and of the services rendered by said mercantile department;
- (d) Investigate and, if found desirable, recommend the abolition and replacement of the present scrip and rebate system with a system of sale of commodities and services to employees only at discount;
- (e) Investigate and recommend to the management with respect to the keeping of accounts, including the allocation of overhead expense of said mercantile department;
- (f) Investigate and recommend to the management with respect to the number of personnel required to render service and the conduct of the personnel in rendering said service;
- (g) Have conducted an audit of the mercantile department books of account and records semiannually and cause a financial report to be posted on the bulletin boards, in the * * *, a weekly newspaper, and in the [union newspaper].
- (h) Make a regular tour of inspection of the coffee shop and mess hall for the purpose of determining whether said facilities are maintained in a sanitary condition and whether the food is handled, prepared and served in a sanitary and clean manner; and report to and make recommendations to the concessionaire for the purpose of correcting any conditions found to be unsatisfactory in this respect;
- (i) Investigate and recommend to the company any changes in the policies of the concessionaire with respect to the quality of the food served and the prices charged for said food.

It is understood that the company shall charge a reasonable depreciation for the mercantile department facilities and equipment, such charges to be reviewed and agreed upon by said mercantile advisory board.

The decisions of the mercantile advisory board to recommend on the matters set forth in paragraph (3) of this section shall be by majority vote of the six (6), and said decisions shall be binding on the company. In the event that a majority vote cannot be secured, these six (6), shall select a seventh (7th) person, and the matter shall be submitted to arbitration according to the procedure set forth in section XX, except as modified herein, and both parties agree to abide by the decisions that come from said arbitration, except that it is expressly understood that the company is not bound by any recommendation of said mercantile advisory board to make capital expenditures, nor shall the making of capital expenditures be subject to arbitration; and except further that said mercantile advisory board shall make no recommendation that is binding upon the company or subject to arbitration with respect to whether the company shall permit other than employees to use the facilities of said mercantile department.

91. Cooperation on Government Power Project

It is recognized that the office of the administrator of the * * * power administration is an agency of the sovereign Government of the United States; that it is dedicated to the accomplishment of the public purposes for which it has been created as set forth in the * * * Project Act of [date], as amended, and to the discharge of the public duties and responsibilities vested in the Administrator by that Act, by Executive Order of the President No. 8526, dated * * * and by orders of the Secretary of the Interior; and that in the accomplishment of those public purposes and the discharge of those duties and responsibilities the administrator and the employees must comply with and conform to all applicable Federal laws, executive orders, regulations and policies, all of which laws, orders, regulations and policies are regarded as paramount. The administrator and the council further recognize that cooperation by the administrator and the employees on the basis of mutual understandings between them arrived at through the processes of collective bargaining is indispensable to the accomplishment of those public purposes.

The administrator and the council also recognize that they have a common and sympathetic interest in the power industry in the Pacific Northwest and its development and that the promotion of their common interests will be furthered and extended by the establishment and maintenance of labor-management cooperation between the administration and the employees.

Therefore, the administrator and the council hereby agree to establish the conference and consultative machinery and procedures hereinafter provided for the following purposes:

(1) To provide for fair and reasonable rates of pay, hours, and working conditions for the employees concerned in the territory in which the administration's activities are or may be carried on; (2) to insure the making of appointments and promotions on a merit basis; (3) to promote stability of employment and to establish satisfactory tenure; (4) to provide for improvement and betterment programs designed to aid the employees in achieving their acknowledged and recognized objectives; (5) to promote the highest degree of efficiency and responsibility in the performance of

the work and the accomplishment of the public purposes of the administration; (6) to adjust promptly all disputes arising between them, whether related to matters covered by this agreement or otherwise; (7) to promote systematic labor-management cooperation between the administration and its employees, and (8) to aid the reestablishment in civilian life of returning veterans.

The public interest in the accomplishment of the purposes of the administration always being paramount, the administration and the council further agree that, pending the determination or adjustment of any issue arising between them by means of the conference machinery and procedures hereinafter provided, there will be no change in the conditions in any schedules or recorded understandings applicable to such issue, and there will be no stoppage or interference with the progress of work.

92. Joint General Committee and Specified Standing Subcommittees. Grievances and Wages Excluded

It is recognized by each of the parties hereto that company policies and standards must be formulated by the management of the company and that cooperation of the parties based upon general understanding will make for harmonious and constructive relations.

To promote and maintain such relations between the parties there shall be a general committee consisting of eight (8) members, four (4) to be named by the company and four (4) by the union. The general committee shall consider matters relating to plant efficiency, shop rules, working conditions, charity contributions and similar subjects of mutual interest other than grievances or wages. It may establish necessary subcommittees either from within its membership or from without and may make recommendations to the company for the company's consideration; provided, however, there shall be standing subcommittees on health and safety, recreation and suggestions. In all cases, subcommittee membership shall be divided equally between the company and union representatives, the latter to be selected by the union. All regular committee meetings shall be held on company time.

93. Equal Representation on One Committee; Unequal Representation on Two Others

The union shall have the right to appoint representatives from among company employees to serve on the following committees in the proportion shown below:

Safety Committee (one union appointee, five-man committee)

Civic Fund Special Relief Committee (three union appointees, sixman committee)

Employees' Activities Committee (two union appointees, seven-man committee)

94. Union Given "Adequate" Representation on Specified Committees

Adequate and proper recognition shall be given the union.

The company shall afford the union adequate recognition and representation on intraplant labor management production committees, War Community Chest committees, Red Cross committees, safety and health committees, or other committees of this type which may be created from time to time.

Technological Changes

The immediate effect of technological changes on employment is often unpredictable. Traditionally workers have associated such changes with the loss of jobs, lowered earnings, and loss of skills acquired through long years of training and experience and this is largely responsible for the antagonistic attitude of many workers and their unions to the changes themselves. Recently, however, the trend has shifted from outright opposition toward acceptance of technological changes, provided the union is given a voice in bargaining over wages, work standards, and other employment conditions resulting from the change. One of the important problems facing modern industry and organized labor, therefore, has been to evolve methods which will reconcile, as far as possible, the continual growth of industrial techniques and of labor-saving devices with employment security.

In an effort to protect workers against dismissal and other hardships which may result from technological changes, some companies have voluntarily spread the introduction of machinery and other labor-saving devices over a long period of years. Others have made the changes in periods of increased production. Some have placed the workers affected on other jobs or have retrained these workers to fill other jobs in their plant or elsewhere. Still others have paid their displaced workers substantial dismissal wages.

The measures generally adopted through collective bargaining with respect to technological changes have had a dual objective: (1) to alleviate the hardships of those displaced because of the adjustment, (2) to protect the employment opportunities, earnings, and conditions of work of those workers retained on the job.

Some agreements require union-management negotiations prior to all changes in the process of operation and in the equipment used. Through such a procedure, the union may endeavor to secure gradual introduction of new machinery and thus insure a minium displacement of regular employees. Other agreements specifically prohibit any restriction upon the introduction of new machinery or new processes and even pledge the union to active cooperation in the introduction of technological changes.

MANAGEMENT RIGHT TO INTRODUCE TECHNOLOGICAL CHANGES

In some agreements, management's right to institute technological changes is explicitly recognized or it is stated that use of machinery or labor-saving devices shall not be restricted. Other references to management rights or prerogatives may be interpreted as including the right to institute new processes, labor-saving devices, and new equipment, although the language is rather broad and general. A number of individual agreements also contain union pledges to cooperate in utilizing improved machinery and processes to achieve higher output.

95. Installation of New Machinery Management Prerogative

It is further agreed that the employer shall have the right to install in its factory or factories during the life of this agreement any modern machinery or equipment that it may desire.

96. No Restriction on Use of Machinery and Tools, or Material, Except Prison Made

There shall be no limitation as to the amount of work a man shall perform during his working day.

There shall be no restriction on the use of machinery, tools, equipment or appliances.

There shall be no restriction on the use of any raw or manufactured material, except prison made.

97. No Restriction on Use of Machinery or Labor-Saving Device

There shall be no restrictions on the use of machinery or labor-saving devices throughout the plant.

98. No Restriction on Use of Machinery or Tools Provided Operated by Union Members

There shall be no restriction on the use of machinery, tools, or appliances used in connection with the installation of work coming under the jurisdiction of the members of the [union] provided that if power pipe cutting and threading machines are to be used on the job or in the shop of the contractor, such power pipe machines will be operated by journeymen of the [union].

99. Management Prerogative Clause Includes Right to Use Improved Equipment or Methods

The management of the company and the direction of the working force, including the right to hire, transfer, promote, demote, or the right to relieve employees from duty because of lack of work, or other legitimate reasons and the right to use improved equipment or methods shall remain with the company. The above listed management functions shall not be deemed to exclude other management functions not listed.

100. Right to Introduce Labor-Saving Devices Provided Not Inimical to Employees' Health and Safety

The employer shall be free at his discretion, and without interference from the union, to introduce labor-saving devices and to institute methods of handling any work coming under the jurisdiction of this agreement, provided that they are not inimical to the safety and health of employees.

101. Use of Labor-Saving Equipment Conditioned by Effect on Employees'
Safety, Health, Earnings, and Employment. Disputes Subject to
Arbitration

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 impartial chairman, 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;
- (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 interfered with and are not interfering with the introduction of labor-saving devices by employers;
- (4) That efficiency in longshore work has been materially improved as a result of such use.
- 102. Method of Production or Use of Machinery Subject to Grievance
 Procedure

In the interest of progress and the development of business of the company, nothing in this agreement shall be construed as taking away from the company its right to regulate the method of production or the kind of machinery, apparatus, equipment, and new processes used.

[The preceding paragraph] of this article shall be subject to the grievance procedure incorporated in this agreement under article V.

Note: Article V, Grievance Procedure, provides for arbitration of "any dispute, difference and grievance between the parties, arising under the terms of this agreement, but not including any desired or proposed change in the terms of this agreement."

103. No Arbitration of Company Right to Initiate Technological Changes

The arbitrator shall not render decisions on the right of the company

to initiate technological changes which have been initiated in accordance with the provisions of this agreement.

104. Union Recognizes Company Right to Install More Efficient Equipment. Cooperation on Performance Pledged

The union agrees that it is the sole responsibility of management to decide on such matters as improvement in equipment, methods, process, materials, supplies, etc., in order to maintain a good competitive position. The union further agrees that its officers and members will cooperate with the company's efforts to maintain high standard of performance from the standpoint of quality and quantity of work. Also, it is recognized by the union that the company has the right at all times to install better and more efficient equipment, methods of handling work, or work schedules as may be developed.

105. Union Cooperation in Use of Methods to Reduce Unit Costs and in Use of Facilities

The unions agree to give full cooperation to the establishment and use of rates and methods to make it possible to reduce unit costs and maintain and/or increase employees' earnings.

The unions also agree to cooperate fully in the effective use of the facilities provided.

106. Pledge by Union and Members to Cooperate on New Equipment

The union agrees that it will do everything within its power to cause the employees covered by this agreement, individually and collectively, to perform and render efficient work and service, and that it and its members will wholeheartedly cooperate with the management in the introduction or operation of new equipment or changes in processes or production methods.

107. Union Cooperation Pledged in Installation of Technological Changes

The company has the right to determine job procedure and methods and to put in technological improvements and the union will cooperate in any work to improve plant operations.

108. No Union Opposition to Modern Methods and Machinery

The union pledges itself to encourage efficient operation to maintain production at its highest level, and that it will not interfere or oppose the introduction of modern methods and machinery.

PROHIBITION OR RESTRICTION OF TECHNOLOGICAL CHANGE

A number of agreements forbid, restrict, or regulate the use of specified tools, equipment, or appliances, or the introduction of new processes, equipment, or machinery.

109. Ban on New Processes, Equipment, or Machinery Waived in Event of Strike

The [employer] agrees that it will not, during the life of this agreement, introduce any new processes, equipment, or machinery used as an evolution

of or substitute for current * * * processes, equipment, or machinery without consent of both parties hereto, but should any strike or similar work stoppage occur during the term of this agreement the [employer] may cancel this contract and the above obligation as regards new processes, equipment, or machinery, shall thereupon cease.

The union shall have the right to engage in a strike or similar work stoppage if such new processes, equipment, or machinery are introduced in violation of this section.

110. Machine Prohibited Unless Six Handworkers Fully Occupied

No Hoffman or similar pressing machine shall be installed or used in any factory where less than six hand pressers are working and unless the presses are fully supplied with work.

111. Minimum Crew Complement Specified for New Machines

When the automatic autoplate machine and its shaver are in use and being operated, in order to insure the safety of our members not less than four journeymen members shall be employed to operate same. When said automatic autoplate machine and its shaver are in operation the four men shall devote their whole time to such operation only.

When both ends of a double automatic autoplate machine and its shaver are in use and being operated to capacity production, in order to insure the safety of our members and efficient production, not less than eight journeymen members shall be employed to operate same. When both ends of this machine and its shaver are in operation the eight men shall devote their whole time to such operation only.

112. Prohibition on Use of Spray Machine

Employer agrees that the use by an employee of a spray machine or gun with oil paint, or that dipping in oil paint or any other method shall be prohibited.

113. Limitations on Use of Spray Machine. Double Time Paid When Used

The use of spraying machines will be permitted only in lacquer, which is to be applied only on furniture and fixtures, and on such surfaces where paint cannot be satisfactorily applied with an ordinary brush, such as wood lattice, metal plaster lathe, rafter ceilings 16 inches on center, radiators, furniture, rough type of acoustic materials, and cinder blocks. All other spray work must be approved by the representative of district council No. * * *. The operator of spray machine shall receive double time. No dipping will be allowed.

114. Conditions for use of Spray Machine: Safety and Health Devices Used; Health Regulations Observed; Permit Obtained and Posted

The councils and/or local unions are opposed to the use of the spray machine in the * * * industry and their rules and laws require that "no member of the organization shall accept employment requiring the use of the spray machine." Due to the opposition of the councils and/or local unions a complete elimination of the spray machine was imminent and only after days of conference during which an examination and analysis of conditions were made, did the associations and/or chapters prevail upon the

councils and/or local unions to agree to spraying to a limited extent as hereinafter set forth.

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 the instances herein specifically mentioned (which the parties agree are less hazardous although still involving danger to the men) the use of the spray equipment shall be permitted provided that every reasonable device and method be adopted to minimize the 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.

No spray painting will be permitted under any circumstances until a spray permit is posted on the job in plain view.

Permits for spraying can be secured from the local joint committee. Said permits will consist of a regular printed form in triplicate and will contain spaces for any and all information required. All permits shall require two signatures, one (1) from the local joint committee and one (1) from the district council or local union.

115. Restriction on Size and Use of Paint Brushes

On ceilings and wall surfaces, exterior or interior such as plaster, concrete, wall board, plywood, and roofs of all types, the wall brush shall not exceed six and one-half (6½) inches in width; on all other surfaces the brush shall not be more than four (4) inches in width (commonly known as No. 35 stucco brush). No brush larger than eight (8) inches shall be used in applying water paint.

No roller stipplers shall be larger than seven and one-half $(7\frac{1}{2})$ inches in width.

No brush larger than two and one-half $(2\frac{1}{2})$ inches in width shall be used in the painting of sash.

UNION PARTICIPATION IN TECHNOLOGICAL CHANGES

A number of agreements require that technological changes shall be discussed in advance with the union, or that the union shall be notified in advance, but negotiation is not specified or required. In some instances, advance union approval is required. The notice period enables the union to gage the effect of the new process or machine on its membership in terms of work load, earnings, seniority adjustments, physical condition of work, and the like. Some agreements provide for joint designation of the particular workers who are to operate the new machinery.

116. Discussion with Union on Methods Change; Company Retains Final Decision "Within Reason"

When there is a change of method contemplated by the company, an opportunity shall be given to the union to discuss the matter, if they so desire, but final decision as to the change, and the time of putting same into effect, shall be with the company within reason.

117. Consultation with Union on Introduction of Technological Change. Disputes Arbitrable

Before such (technological) changes are made effective they shall be discussed with the director of the * * * division of the * * * union in order that he may be sufficiently familiar with the procedure to enable him to gage the work loads and earnings of the employees engaged in the new operation.

In supplying the * * * the information regarding the change and the reduction in the number of jobs in the department in which the technological change occurs, the company will also furnish, when possible, approximate information as to the effect of the change on the number of jobs in other departments affected by the same change.

Before the company submits a technological change to the national director or his representative the local plant management will inform the local union of the change in detail, following which the technological change in its final form will be submitted to the national office of the union with copies to the local business agent. The union will submit an answer to the company within twenty (20) days after the receipt of the formal request. If the company initiates the change following the twenty-day period given the union to prepare its answer but prior to agreement on a completely satisfactory working basis for the new operation or new method, the remaining differences between the parties may be referred to arbitration.

118. Methods Changes Submitted to Local Union; to International Union; to Arbitration

The management of the business of the company, the direction of its working forces, the schedules and quantities of production and the methods, processes, and means of manufacturing, are prerogatives of the management.

It is understood that no provisions of this paragraph shall in any way interfere with, or abrogate any rights conferred upon the union or its members, by any other clause contained in this agreement.

In cases where changes in methods of manufacturing or increase in production are contemplated by the management, the company will submit such changes to the top official of the local union. Where the union claims that any such change will result in more than a fair day's work for the employees involved, such change shall be submitted to a person designated by the top official of the parent body of the local union and to a person designated by management, in an effort to reach an agreement. Where both officials fail to reach an agreement, they shall choose a mutually satisfactory third person as arbitrator of the dispute. His decision shall be final and binding on both parties.

119. Advance Discussion with Union Before Installation of Technological Change. Employer May Initiate Change for Trial Period, Subject to Negotiation and Arbitration If Union Disagrees

Management shall first inform the union of the fact that a change is to be made, of the approximate date of its installation, the nature thereof, proposed duties and job assignment, and the expected earnings on a mutually agreed upon form. The parties shall meet and discuss the proposal at least two (2) weeks before the day fixed for the institution of such change. The employer will furnish all information which is necessary to a complete understanding of the proposed change.

The employer may install the proposed change for a trial period of four (4) weeks which may be extended by mutual agreement. During such trial period, the employees shall be paid no less than their previous average hourly earnings for the previous quarter, as established by the social security records. In the event final agreement during or subsequent to, the trial period results in higher rates of pay, the employees shall be paid retroactively to the date of assignment to the job. Within fifteen (15) days of the expiration of the trial period the union, if dissatisfied, may present a written statement of its grievances, and if same shall not be satisfactorily adjusted by negotiations between the parties within five (5) days thereafter, the matter may be submitted by the union to arbitration for final and binding decision.

120. Union Informed of Technological Changes and Lay-offs for Changed Working Conditions Resulting, Prior to Installation

The company shall have the sole right to make such technical and other changes in their manufacturing operations as they deem necessary for efficient operation. However, prior to the installation of any such changes, the company shall explain the contemplated changes to the designated representatives of the union. In the event the introduction of any new process or machinery results in lay-offs or changes in working conditions, these matters shall also be discussed with the designated union representatives prior to their introduction.

121. Procedure for Changes in Work Assignment or Technique Includes
Experimental Period, Trial Period, Pay Guaranties

Experimental Period.—Any change in work assignment or techniques of performing the job shall be preceded by an experimental installation involving not more than fifteen (15) percent, but not less than two (2), of the regular workers employed on the operation. The specific operators, who shall be regular workers employed on the occupation and used during the experimental period, are to be mutually agreed upon; or, in the event of failure to agree upon the operators to be employed in the experiment, the union and the company shall select an equal number.

During the experimental period, the company shall test the proposed methods of job performance, the operating conditions, contemplated assignments, and make such other studies as the company may deem necessary, and develop a course for job training where changes occur in job duties and work methods and all other phases of the proposed new assignment.

Notice of the desire by the company to experiment, as provided above, shall be sent to the union at least eight (8) days in advance of the experiment to permit them to make nomination of workers to be used in the experiment.

Trial Period.—Should the company, following an experimental period, propose a change in job assignment in accordance with the method established in the experimental period, the company shall give the union 2 workweeks' notice of such change, or less time if 2 workweeks is impracticable. Following receipt of such notice, there will be a discussion between the company

and the general shop committee within seven (7) days, if requested by the general shop committee, in an effort to reach mutual accord with reference to the proposed change.

If, after a discussion of the notice of proposed change, there results a difference of opinion that cannot be adjusted, the union and the employees agree to accept such changes as proposed by the company, with the understanding that any adjustments that may be necessary will be made by the company as rapidly as conditions will permit and any adjustments that may be necessary in wages will be retroactive to the start of the trial period.

The union and the company agree that such change or changes will be accepted on a trial basis for four (4) weeks from the time the changed work assignment is actually installed, following the experimental period as provided below.

During the first two (2) weeks of such trial period, all employees involved will be guaranteed their previous individual average hourly earnings. During this 2-week period, the company agrees to check the actual operating conditions and frequencies against the standard specifications for the job; and further agrees that if the operating conditions and frequencies are not up to standard, then the trial period with guaranteed average hourly earnings will continue until such time as such operating conditions and frequencies conform to the specifications for the job.

Information relative to the operating conditions and frequencies and their degree of conformance to the proposed specifications shall be supplied to the general shop committee at an appropriate time prior to the end of the completion of the above trial period.

It is contemplated under this section that, when the actual operating conditions and frequencies conform to the specified standards, there shall be a further 2-weeks' trial period without the guaranty of average hourly earnings. After this time, the union, if it is dissatisfied, may file a grievance within fifteen (15) working days respecting the new work assignment; otherwise, the union's objections shall be deemed abandoned. Should the parties fail on agreement with respect to the dispute over any new work assignment, following a completion of the trial period, the employees agree to remain on the job in dispute under the same work and pay conditions as under the trial period, and the matter may be referred to arbitration under the provisions of this agreement.

No work assignment agreed upon or fixed by arbitration may be questioned or changed by either party within six (6) months after said agreement or arbitration decision is made, unless conditions change to such extent as would make reopening justified.

Pay Guaranties.—Workers employed during the experimental period on any experimental job or assignment or during the guaranteed pay portion of the trial period shall be paid no less than their individual average hourly earnings for the 4-week period immediately preceding their assignment to the experiment or trial job, or a more appropriate agreed upon period.

122. Joint Discussions Prior to Change in Job Classification as Result of Major Changes in Methods or Equipment. Existence of Major Change Arbitrable

The company shall not be required to employ more than the minimum number of employees necessary to efficiently operate the plant, and it is recognized that if processes, methods, or equipment undergo a major change or the volume of operations in any department is substantially curtailed, it may be necessary from time to time to create, modify, consolidate, or eliminate existing or future classifications or duties. Any such change shall be made only after the company and the workmen's committee have discussed and endeavored to reach an agreement on such change. The question as to whether or not a major change or substantial curtailment has been made shall be subject to arbitration as provided in article * * *. (Note: See appendix No. 2 below.)

This shall not be interpreted to prohibit minor changes in jobs made necessary by minor changes in operations provided such changes do not result in the elimination of any job.

123. Change in Production Methods Affecting Wages and Work Load Made Only Through Collective Bargaining

Any change in methods of production as affecting wages, wage rates, work load, changes from operation to another or fixing of prices for new piece rates, shall be made only through collective bargaining between representatives of both parties hereto.

124. Joint Agreement on Wages, Hours, and Working Conditions Before Labor-Saving Machinery Operated Permanently

No labor-saving machinery shall be put into permanent operation until the union and the company have mutually agreed to the wages, hours, and working conditions pertaining to the particular device to be installed.

125. Joint Determination of Wages and Manning on New Machines Prior to Their Operation. Disputes Arbitrable

If during the life of this agreement presses of sizes or types not covered by this agreement shall be installed, the rate of wages and the manning for such presses shall be determined prior to operation by mutual consent or, on failure to agree, be settled by arbitration.

126. Joint Determination of System, Classification of Work and Rate of Pay.

Disputes to Grievance Procedure

Upon the introduction of any new type of machine or work into the plant of the company, the company and the union involved shall determine by agreement what system and classification of work and rate of pay it shall be placed under. In the event of failure to agree, the matter shall be taken through the grievance procedure.

127. Joint Approval for Creation of New Crafts Required

No new crafts subject to union jurisdiction are to be created except with the joint approval of the employer and the union.

128. Joint Negotiations on Wages and Working Conditions for Employees on New Equipment and on Dismissal Pay for Displaced Employees

The employer shall give the union reasonable notice prior to the installation for permanent use of any method of transmission which is revolutionary as contrasted with the present methods of transmission of its news and picture report. Employees shall be given reasonable time together with access

to facilities for acquiring necessary skill or knowledge. Employees who are competent to operate or maintain the new method of transmission shall be given preference for any of such positions in accordance with their seniority. Preliminary training pay, regular wages, hours, and working conditions with relation to positions so created shall be the subject of negotiations between the union and the employer, in behalf of those employees who are considered for or are retained to perform duties in connection with the new method of transmission. The employer and union also will negotiate an equitable dismissal indemnity arrangement for those employees who unforeseeably may not be retained for such new work, the union and management having agreed that the benefits in such circumstances should be greater than those provided in paragraph Seventh-B [Dismissal Indemnity].

129. Joint Regulation of Use of Labor-Saving Machinery

The wages of the 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 [employer's] council and the union through the processes provided in this agreement.

130. Joint Industry Board to Adopt Rules to Mitigate Effect of New Machinery

The administrative board and/or administrator shall adopt rules and regulations in connection with the introduction of new machinery in the industry, in order that workers shall not suffer any undue hardships.

131. Operators of New Machines Designated by Mutual Consent

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 machine shall be designated by mutual consent.

132. Union-Management Designation of Employees to Be Retained in Event of Technological Change

To forestall the possibility of displacements resulting from technological changes leading to the manning of the company's departments by less capable employees, the company and the union will endeavor to agree upon and designate the employees to be retained.

RATES AND WORK LOADS ON JOBS AFFECTED BY TECHNOLOGICAL CHANGES

Union participation in the introduction of technological change is most frequent in the establishment or revision of rates and work loads because of changes in job requirements. This is particularly true if a company has a piece rate or wage incentive system. Agreements often provide for rate revision if the workers' productivity is substantially affected by a direct change in the technical conditions of operation, such as the introduction of new machinery or new methods of production.

The general procedure appears to be for management to notify the union of the proposed changes and then to negotiate with the union on all matters affected. In some instances, the notification to the union must contain details of all the changes proposed—rates of pay, work load, etc. The results of the negotiations are tested during a trial period, and, after further and final negotiation, any remaining differences are often arbitrated. Although some provide that the parties shall "negotiate" again after the trial period, others specifically channel union action through the grievance procedure.

133. New Machinery or Process Operated by Union Journeymen; Rates Set by Joint Committee

It is further agreed by the employer in the event of the adoption or installation of new and improved * * * machines or processes or the substitution of machines or processes for any at present in use for producing * * * work, that such machines must be operated by journeymen members of said union, at a scale of wages to be determined by a joint commission of four (4) members, each party hereto choosing and appointing two members hereof.

134. Wage Rates Discussed with Union Committee

Should new machinery be installed, or should changes in methods be adopted, new rates will be discussed with the union committee.

135. Joint Negotiation of New or Changed Rates Resulting from Installation of Labor-Saving Devices

When and as occupations are created not listed on the attached wage schedule, or existing occupations are modified, whether by reason of the installation of labor saving devices or by the introduction of new processes or rearrangement of existing processes, the rates for such occupations shall be established by negotiation.

136. Minimum Wage Rate for New Machine Subject to Arbitration

Where a department or men in a department are displaced by the introduction of new machinery, the employees oldest in the service so displaced, shall be given preference on such machinery, subject to competency. The minimum wage for such machine operators shall be a subject matter for arbitration, in the event that the same becomes a controversy, between the parties hereto, and settlement is not previously effected by the procedure hereinafter set forth.

137. Rate Set on New Process by Joint Industry Committees and by Arbitration, If Necessary

Any manufacturer, during the life of this contract, shall have the right to introduce and use any method or methods, system or systems, or parts thereof pertaining to any department of the factory, including the competitive system or part thereof, provided however, that before using same, such manufacturers, through the labor committee of the employer, shall submit in writing to the joint advisory board, a detailed description of any such method, or methods, system or systems, or parts thereof, and rules and regulations for the use thereof, which such manufacturer desires to put into use. Thereupon, the joint advisory board and said labor committee shall meet for the purpose of fixing and establishing a price or wage scale thereon, and if such parties are unable to agree within five working days from the date of the delivery of the said description of the same, or in the event said joint advisory board fails or refuses to meet said labor committee within said time, a wage scale therefore shall be established by an arbitrator as hereinbefore provided for, said arbitrator so appointed to immediately conduct a hearing thereon and within 10 days after the closing of the taking of testimony thereon said arbitrator to render his decision and award, and such decision and award to be binding and effective on all parties and all parties agreeing to abide by same. Said arbitrator to have the right to limit the time within which said parties shall introduce their testimony and also the right to limit the evidence submitted by each of the parties. In the event the parties fail to agree on fixing prices or said joint advisory board fails or refuses to act within the time prescribed then, in either event, such act shall constitute a submission of the question involved to arbitration.

138. Time Study Engineer Hired Jointly to Determine Rates on New or Changed Operations

Where new styles are introduced, and on operations for which no piece rate has been established under this agreement, including cases arising because of change in equipment, method, production, material, design, production conditions or production standards, the piece rate shall be determined as follows:

A joint committee composed of members from the [employer] and members from the [union] shall be established and it shall be authorized to:

- (a) Engage a time study engineer whose salary shall be paid jointly by the [union] and the [employer] and who will either be on a part-time or full-time basis, operating out of and under the guidance of the office of the impartial chairman.
- (b) This joint committee shall meet and negotiate the earnings level to obtain for each new style or operation for which no piece rate has been established under this agreement. Failing to reach agreement, the question of earnings level shall be submitted to the impartial chairman for a decision as in the case of 15 and 20 denier nylon—Decision Series U-12.
- (c) The joint committee shall determine those elements and job classifications which shall be submitted to the engineer for study. The elements and job descriptions shall be circulated to the mills and local unions selected for the study.
- (d) Upon completion of the time study, the engineer shall recommend to the joint committee, that rate for the new style, etc., which should obtain the earnings level agreed upon. The joint committee shall then negotiate on the recommended rate and failing to agree, the decision shall be made by the impartial chairman who shall be present during all of the negotiations so that an immediate decision may be rendered.
- (e) When the piece rate is determined and made effective either side may ask for a re-check of the rates from 10 to 30 working days there-

after, and if, upon the re-check, it is found necessary to increase or decrease the rate, the adjusted rate shall be retroactive to not more than two (2) weeks prior to the date of the decision.

139. Company Sets Rate and Manning Scale on New Machinery for First 6 Months; Rates Finally Set by Joint Negotiation or by Arbitration Retroactive to Date New Machinery Installed

The complement of men on existing equipment for the period of this contract shall be as presently determined under the existing operating practices of the company without change.

For the first 6 months of operation on new and altered equipment the company shall set a rate and a complement of men which should prevail during this first 6 months.

The company and the union shall try to mutually agree during this first 6-month period on the wage rates and the complement of men which will be permanently established. If they fail to agree, an umpire shall be mutually agreed upon by the parties. Any new rates adopted shall be retroactive to the date of the installation of the new and altered equipment, and the expense of the umpire proceedings shall be shared between the company and the union.

140. Step-by-Step Procedure, Including Arbitration, for Revised Incentives
Resulting from Technological Changes. Retroactivity Specified

The company shall establish new incentives to replace existing incentive plans when they require revision because of new or changed conditions resulting from mechanical improvements made by the company in the interest of improved methods or products, or from changes in equipment, manufacturing processes or methods, materials processed, or quality of manufacturing standards.

Such new incentives shall be established in accordance with the following procedure:

- (a) Management will develop the proposed new incentive;
- (b) The proposal will be submitted to the grievance or assistant grievance committeeman representing the employees affected for the purpose of explaining the new incentive and arriving at agreement as to its installation. Management shall, at such time, furnish such explanation with regard to the development and determination of the new incentive as shall reasonably be required in order to enable the union representative to understand how such new incentive was developed and determined and shall afford to such union representative a reasonable opportunity to be heard with regard to the proposed new incentive;
- (c) If agreement is not reached, the matter shall be reviewed in detail by a designated representative of the grievance committee and management for the purpose of arriving at mutual agreement as to installation of the new incentives;
- (d) Should agreement not be reached, the proposed new incentive may be installed by management and the employees affected may at any time after 30 days, but within 60 days following installation, file a grievance alleging that the new incentive does not provide equitable incentive compensation. Such grievance shall be processed under the grievance and arbitration procedure of this agreement. If the grievance be submitted to the arbitration procedure, the board shall decide the question

of equitable incentive compensation and the decision of the board shall be effective as of the date when the new incentive was put into effect.

141. Trial Period Specified Before Setting New Rates. Retroactivity Established

In placing into operation any new machinery, apparatus, process, or equipment in existing plants covered by this agreement, a trial period of production, not to exceed four (4) months, will be permitted to elapse before the new wage rates are established. When such new rates are established the same will be retroactive to the date when such new jobs or processes were placed into operation.

142. Earnings on Displaced Job Considered Determining Factor in Establishing Rate on New Machinery

The rate on such new machinery shall be established by agreement between the shop steward, business manager of the union, and the management of the individual plant. In the event of disagreement, the controversy shall be submitted to arbitration, at which time the previous earnings on the job displaced shall be considered as a determining factor in establishing the job rate.

143. Company to Increase Rates When Technological Change Results in Increased Work. Disputes Arbitrable

In the interest of more efficient production, the employer reserves the right to install new machines or improved methods of production, provided it does not adversely affect the physical or mental conditions of the employees or cause undue fatigue, and to determine the manner of payment for labor from time to time as needs arise. The employer also reserves the right to be the sole judge of quality of the products required. It is provided that none of the above procedures shall result in reduced earnings. Should the installation of new machines or improved methods of production result in an increased burden of work to the employee or employees involved, added compensation commensurate therewith shall be granted by the employer. It is also agreed that any controversy arising from the foregoing shall be subject to settlement through the grievance and arbitration procedure provided herein.

144. Average Hourly Earnings Not to Be Cut by Use of Modern or Improved Machinery

The union recognizes the necessity and subscribes to the principle of maintaining modern methods and equipment for the purpose of keeping the company competitive and agrees that it will not interfere with this progress provided, however, that the past average hourly earnings of employees who remain in the same job are not reduced by such methods, equipment or rearrangement of equipment.

The union recognizes that a high level of wages can be maintained only by attaining a high level of productivity. The union and its members will cooperate with the company in attaining the highest level of productivity consistent with the health and safety of the employees. The union and its members will assist in effectuating economies and the utilization of improved methods and machinery.

MINIMIZING EFFECTS OF TECHNOLOGICAL CHANGES

Protective measures aimed at minimizing labor displacements due to technological change vary considerably. They include (1) the prohibition of dismissal and (2) the transfer of workers from the job or machine which has been eliminated by the change to the new job created. Usually, such transfer is accompanied by some definite wage policy on the new job.

Retraining of workers whose skill or occupation has become modified or obsolete as a result of technological change is sometimes provided, usually at the employee's regular rate of pay. If the change reduces the number of jobs, employees affected may be transferred to different jobs in order to avert lay-off; sometimes the necessary training is given for such other jobs. If vacancies are not available, displaced workers may be given priority in filling any future vacancies. For workers actually displaced, dismissal pay is sometimes specified. (See Bulletin No. 908–5, Discharge, Discipline and Quits; and Dismissal Pay Provisions).

NO DISMISSAL OF EMPLOYEES AFFECTED

145. No Dismissal of Permanent Employees Because of Mechanization. Six Months' Training at Company Expense on New Machines. No Wage Change During Training; No Pay Cut on New Job

No permanent employee of the company shall be dismissed by the company during the life of this agreement because of mechanization or technological changes.

In the event the company should introduce new methods of operation requiring new or greater skills than possessed by its employees under the present methods of operation, such employees shall, at company expense, be given a minimum period not to exceed 6 months during which to perfect or acquire the skills necessitated by the new methods of operation. There shall be no change in salary during the training period of any such employee and no reduction in pay upon being reclassified in the new position.

Should the introduction of new methods of operation create a need for the perfection or acquisition of skills requiring a training period longer than 6 months the additional training time shall be the subject of discussion between the company and the union.

146. No Lay-off of Regular Employees Because of Mechanization

No regular employee (as distinct from temporary, occasional, or term) shall be laid off as the result of any dial cut-over.

MAINTENANCE OF PREVIOUS EARNINGS

147. Changes in Process, Method or Equipment Not to Result in Lowered Earnings

Nothing in this agreement shall abridge the rights of management in the employment of qualified personnel, the dismissal of employees for just cause

and the rearrangement of work processes or methods of economy and efficiency, providing, however, in no case shall the past average straight time earnings be reduced by time studies or rearrangement of work processes or methods or equipment. Until an accepted rate is placed on the job, the operator shall receive his past average earnings.

148. Rates Set for New Equipment to Yield Earnings Based on Previous
12 Weeks

It is agreed that the union is to cooperate with the employer to the fullest possible extent in the introduction of new or improved methods or equipment and to see to it that fullest possible advantage shall be taken in the introduction of this new equipment or new methods thereby affecting the saving to the employer for which they are intended. When any new equipment or manufacturing methods replaces existing equipment or manufacturing methods, the rates shall be so set that employees transferred to this new equipment or manufacturing methods shall be able to earn the average earnings that the group received previously on the equipment or manufacturing methods replaced. The average rate which the employee will earn on the operation will be determined from the average hourly piece work earnings which the employee earned for twelve (12) weeks prior to that time, and if on the new operation, the employee does not earn the average rate allotted to him through the new piecework rate, the difference shall be made up by the employer. This rate adjustment, however, will be paid for at least a 4-week period and until the piecework rate is set. Any additional old employees working on the new equipment after the piecework rate has been established will be allowed a 4-week rate adjustment.

PRIORITY IN TRANSFER TO NEW MACHINES

149. Senior Employees on Old Machines Transferred to New; Paid "Average Rate of Pay" Until New Rate Set

Whenever new machinery is introduced to replace old machines, the company agrees to transfer the operators from the old machines with the longest seniority to the new type machines, and they shall be continued at their average rate of pay until such time as a new rate of pay is established.

150. Preference on New Machinery to Employees Affected; Displaced Employees Given Preference on Other Available Jobs Provided They Do Not Displace Other Regular Employees

Where a department or employees in a department are displaced by the introduction of new machinery, employees with the greatest length of continuous service on the operation displaced capable of performing the work required after reasonable trial shall be given preference in employment on such machinery. Employees who may be displaced by the introduction of such new machinery shall be given preference in employment as the needs of the employer may require, without displacing other regular employees, at such other employment as they may be capable of performing.

151. Employees Affected by Changes Given Opportunity to Learn New Operation and Prove Competency

In the event of the introduction into the production office of any office machinery not heretofore employed by the employer, the employer if at all possible, shall, within a reasonable time prior to its installation, inform the union of such intention so that any of the permanent office employees likely to be affected by such change shall have the opportunity to prepare themselves for the operation of such new office machinery. In the event that the introduction of such office machinery shall only require a brief breaking-in period, the employee affected shall be given the opportunity to prove his or her competence with reference to it.

152. Employees Given Training on New Equipment; Paid Their Prevailing

The company agrees that when for any reason changes in its operating methods or practices require additional knowledge and skill on the part of its employees, such employees will be given opportunity to study and practice to acquire the knowledge and skill necessary to retain their employment, provided the individuals can qualify for the new work within a reasonable training period. The company agrees to furnish the necessary instruction at the employee's prevailing rate of pay.

153. Specified Workers Given Opportunity to Learn New Equipment Without Change of Classification or Rate

If new equipment is put into service by the company, inspectors, lead mechanics and mechanics shall be given every opportunity to become familiar with the new equipment without change of classification or rate.

PREFERENCE IN VACANCIES TO DISPLACED EMPLOYEES

154. Displaced Employees Have Preference for Vacancy in Other Departments

Any worker who is displaced from his job by virtue of technological improvements will be given the first opportunity for vacancy in other departments.

- 155. Preference to Technologically Displaced Employee in Filling Vacancies for Which Qualified
- If, during the term of this agreement, the [employer] dismisses any employees for economy purposes or in connection with technological changes, the [employer] will give preference to such employee in filling a vacancy for which he is qualified.
- 156. Effort to Transfer Displaced Employees, by Seniority, to Work of Equal Earning Opportunities

Where technological changes are made, which reduce the earnings or employment opportunities of the employees covered herein, every effort shall be made to transfer displaced employees to other work of equal earning opportunities. Such transfers shall be made on a seniority basis and when no further transfers can be made the junior employees remaining in the surplus group shall be separated from the service as provided in article VIII of this agreement (Lay-off Procedure).

157. Minimum Service and Maximum Training Time Prerequisite to Transfer to Avoid Technological Displacement

When an engineering or technical change reduces the force of any operation or a job becomes nonexistent for any reason, plant-wide seniority shall

be used provided the employee affected has one or more year's plant service. Such an employee shall be transferred in his plant to an occupation indicated on his employment record or one he can efficiently perform after ten (10) actual working days.

158. Transfer to Other Department to Avoid Technological Displacement Limited to 5-Year Men. If Only Part of Own Department Affected, May Replace Junior Employee, If Able to Do Work

An employee who is displaced because of a major improvement, a major change in process, or the permanent elimination of an entire operating unit or department, shall:

- (1) If he has more than five (5) years' company seniority, be transferred to such suitable department within the bargaining unit as may be decided by the company provided there are employees in such department with less than four (4) years' company seniority, and provided he is able to do the work. In such case, the employee in the department with the least company seniority shall be displaced. Such employee when transferred shall assume the departmental seniority of the employee he replaced, without prejudice to his seniority for any other purpose.
- (2) If the cause of his displacement involves only part of the department, he may use his company seniority to replace any employee with less company seniority from a particular job in such department, provided he is able to do the work.
- (3) The local union and local plant management may agree upon such applications or modifications of this paragraph * * * as are suitable to any particular situation.
- 159. Ten-Year Men Transferred to Bottom of Promotion Schedule in Another Department, Transferee Not to Bump 5-Year Man

Should any department in the factory be partially or permanently discontinued due to the installation of new machinery or technological changes, then such employees who have been affected and who have ten (10) years or more seniority in that department or plant shall be given opportunity for transfer to the bottom of the promotion schedule in another department in the same plant providing they are qualified and providing that the man transferring shall not displace a man in another department with five (5) years or more of plant seniority.

DISMISSAL PAY

160. Dismissal Pay on Displacement by Technological Change. Definition of Technological Change

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:

- 1. Changes in plant or equipment, or
- 2. 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 company 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 manners because production of any kind or variety of any product by any department of the plant is not required by the company at the time for the purpose of sale, use, or inventory.

161. Savings from Changes in Operating Methods Shared with Displaced Employees. One-Year Preferential Reemployment Rights

No employee shall be dismissed for reasons of economy except upon the occurrence of an emergency making such economy necessary. No employee shall be dismissed because of reorganization for purposes of efficiency except upon the occurrence of an extraordinary situation making such reorganization necessary. The existence of such an emergency or extraordinary situation, if not agreed upon by the [union] and [employer], shall be submitted to arbitration. Employees dismissed pursuant to the provisions of this paragraph * * * shall for 1 year be given preferential consideration when positions which they are capable of filling become available.

Where the introduction of changes in present methods of operation either by machine or otherwise, in order to gain substantially greater operating efficiency does not fall within [above] sub-section, and would result in the elimination of some of the work available in a department, [employer] shall find other work for the persons so displaced where such work is reasonably available; in the event such other work is not reasonably available, an equitable share of any saving effectuated, or equitable compensation for the loss to be suffered by the employee shall be made with those for whom other work is not available, and, in addition, such persons shall be placed for 1 year on a preferred employment list for reemployment before other persons are employed on such jobs as their experience and abilities warrant and as they are willing to accept.

OTHER SAFEGUARDS

162. Four Employee Options When Affected by Major Changes in Operating Methods: Pension; Severance Pay; Transfer; Lay-off

If by reason of any major changes in operating methods in the * * * division the company will be unable to provide work at the same regular rate of pay in a comparable class of work for any employee in the seniority area affected, the employee shall be given 30 days' notice and shall have the option, to be exercised within such 30 days, of:

- (1) Acceptance of pension if eligible;
- (2) Acceptance of severance pay as hereinbelow outlined;
- (3) Acceptance of transfer as hereinbelow outlined; or
- (4) Acceptance of force reduction furlough as hereinbelow outlined; provided, however, that if the company offers employment at a comparable regular rate of pay to any employee under the provisions of subdivision (a) above and such employee refuses such proffered employment, the company's obligations under this section * * * shall terminate. The above options shall be in addition to and not in lieu of any other rights under this contract.

With respect to items (2), (3), and (4) in subdivision (b) above, the procedure shall be as follows:

With respect to item (2)—severance pay. Any employee may choose to accept severance pay, if he has or will have 2 years or more of company service some time during the year in which the change is effected, and such choice shall terminate his service with the company. Severance pay shall be determined on the basis of 4 weeks' pay, at the regular rate of the position last occupied, for every year of company service, and 2 days' pay, at such rate, for every full month of company service in excess of full years of company service. Severance payment shall be made in a lump sum.

With respect to item (3)—transfer. Any employee may choose to be transferred within the bargaining unit to another seniority area in the same department or to another major department, in a class of work for which he qualifies, where his transferred seniority, as provided below, is sufficient to provide him with work. Upon any such transfer the employee shall carry with him 50 percent of his class of work seniority, limited to 5 years, provided that such 50 percent is greater than 18 months, but if such 50 percent is 18 months or less, the employee so transferred shall in all respects be considered as an employee transferred in the company's interest and shall come under the regular agreements pertaining to transferred seniority. Upon any such transfer of an employee between offices in any two of the following areas: New Jersey, New York City and Long Island (exclusive of New York City), the employee shall be reimbursed for necessary moving expenses.

With respect to item (4)—force reduction furlough. Any employee may choose to accept a force reduction furlough. Employees so choosing shall have the rights provided in section * * * hereof with respect to employees subject to force reduction furlough, and shall have the further right, in seniority order, within 2 years of the initial dates of their force reduction furloughs, to return to service in the office from which they were furloughed, and to their previous class of work or to a new job created by the new methods of practices if a regular assignment is available for which they qualify. Any employee who chooses to accept a force reduction furlough and who does not exercise any right under section * * * hereof to displace an employee with less seniority in a subordinate class of work and does not return to service pursuant to the foregoing provisions of this paragraph * * * does not by his choice of a force reduction furlough forfeit his right to obtain such severance pay as he would have been entitled to obtain if he had chosen to accept severance pay in lieu and at the time of his choice of a force reduction furlough, provided he gives notice, before the expiration of 2 years following his choice of a force reduction furlough, of his desire to change his option and to accept such severance pay.

If by reason of any major changes in operating methods the company is unable to provide work for any employee who has not accumulated any seniority in a seniority area covered by this agreement, such employee, if transferred into the bargaining unit, shall not carry with him any class of work, office, division, or other type of seniority.

163. Four Step Procedure: Advance Notice to Union; Employees Trained on New Machine; Preference to Union Members; Joint Negotiation on Wages, Hours, and Working Conditions for New Jobs

Employer shall give the union reasonable notice prior to the installation for permanent use of any method of transmission which is revolutionary as contrasted with the present method of transmission of news. Employees shall be given a reasonable time together with access to facilities for acquiring required skill or knowledge and the period of training shall be the subject of negotiations between the parties at such time as the foregoing notice is given. Members of the union, if competent to operate or maintain the new method of transmission, shall be given preference for any such positions in accordance with their seniority, ability, and fitness permitting. Wages, hours, and working conditions with relation to the position so created shall be the subject of negotiations between the employer and the union, in behalf of those employees who are members of the union and who are retained to perform duties in connection with the new method of transmission upon use of such new transmission method.

AUTHOR'S NOTE: After the effective date of this 2-year agreement, the employer "agrees to employ * * * only members of the union."

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